

24-HOUR/10-DAY CONTRIBUTION REPORTS (FORM 497)

The Political Reform Act (“Act”) requires primarily formed ballot measure committees to file the Form 497 within 24 hours of **receiving** contributions totaling \$1,000 or more from a single source during the 90 days before an election, including the date of the election. In addition, committees primarily formed to support or oppose a **state** ballot measure that file electronically with the Secretary of State must file the Form 497 within 10 business days of **receiving** a contribution of \$5,000 or more at any time other than during the 90-day election cycle, including contributions received after the election.

Committees that file electronically with the Secretary of State must also file the Form 497 within 10 business days of **making** contributions totaling \$5,000 or more to support or oppose the qualification or passage of a state ballot measure.

Ex 8.1 - A group forms to oppose a ballot measure that will be voted on in the June 3 county election. The group receives its first contribution on March 10 in the amount of \$2,500. The group now qualifies as a committee and because a contribution of \$1,000 or more was received within 90 days of the election, a Form 497 must be filed within 24 hours. The Form 410 (Statement of Organization) must be filed within 10 calendar days. (See Chapter 1.) The committee will also file quarterly, semi-annual, and preelection statements, and depending on the committee’s activity, additional reports as discussed in Chapter 11.

This chapter discusses the Form 497 requirements in detail. All contributions reported on the Form 497 must also be reported on the committee’s next regular campaign statement (e.g., Form 460). (See Chapter 9.)

A. What Activity Triggers the Form 497 (24-Hour/10-Day Contribution Report) Requirement?

The Form 497 must be filed in each of the following situations:

- A state or local primarily formed ballot measure committee **receives** contributions totaling \$1,000 or more from a single source within 90 days before the election, including the date of the election.

QUICK TIP: A committee must file a Form 497 for each aggregated contribution of \$1,000 or more from the same source. For example, if a committee reported a contribution of \$2,000 on the Form 497 and later the same source made a \$500 contribution, the Form 497 is not required as long as the contributor did not make future contributions that aggregated to \$1,000 or more during the 90-day election cycle.

- A state or local primarily formed or general purpose ballot measure committee **makes** contributions totaling \$1,000 or more to a primarily formed committee or a candidate election committee within 90 days before, including the date of, the measure's or candidate's election, or to a state or county political party committee within 90 days of any state election, including the date of the election.
- A state primarily formed ballot measure committee (including a group circulating a petition to qualify a state measure) that files electronically **receives** a contribution of \$5,000 or more at any time other than during the 90-day election cycle.
- A state general purpose ballot measure committee that files electronically **makes** contributions totaling \$5,000 or more to a state primarily formed ballot measure committee or to a state general purpose committee that will use the funds to support or oppose a state ballot measure outside of the 90-day election cycle.
- A state primarily formed ballot measure committee that files electronically **makes** contributions totaling \$5,000 or more to a state primarily formed ballot measure committee formed for a different measure in a different election.

- A state or local general purpose ballot measure committee **makes** contributions totaling \$5,000 or more to support or oppose the **qualification** of a single **local** initiative or referendum ballot measure.

Ex 8.2 - Forty-five days before the November election, Citizens for the Trolley, Yes on B, a city primarily formed ballot measure committee, received a \$500 contribution. Ten days before the election, the committee received another \$500 contribution from the same source. Because these two contributions in the aggregate total \$1,000, the committee must file a 24-Hour/10-Day contribution report (Form 497) within 24 hours of receiving the second contribution.

The Form 497 requirements are reviewed below for state and local primarily formed ballot measure committees and state and local general purpose ballot measure committees.

Ex 8.3 - In March, a committee is circulating petitions to qualify a state measure for the November ballot. On March 28, the committee receives a \$5,000 contribution. The committee had already reached the \$25,000 electronic filing threshold, so within 10 days of receiving the contribution of \$5,000, the committee must file the Form 497 electronically with the Secretary of State. The committee must also file a quarterly statement by April 30 and a semi-annual statement by July 31. If the measure qualifies for the November ballot, the committee will also be required to file preelection statements. In addition, beginning 90 days before the November election, including the date of the election, each time the committee receives contributions totaling \$1,000 or more from a single source, the Form 497 must be filed within 24 hours. See Chapter 10 for additional information about quarterly, semi-annual, and preelection statements (Form 460).

B. Where to File the Form 497

State Committees: All state committees file the Form 497 electronically with the Secretary of State's office. No paper copies of the report are required to be filed with the Secretary of State or other filing officers.

Local Committees: The Form 497 must be filed in the same locations as the committee files its regular campaign reports. The Form 497 must be filed by personal delivery, guaranteed overnight service, fax, email or online, if available. Regular mail may not be used. Local agencies that have an approved electronic filing program may eliminate the filing of a paper copy of the Form 497.

Exception: The Form 497 filed by a state or local general purpose ballot measure committee when it makes contributions totalling \$5,000 or more to support the qualification of a local initiative or referendum ballot measure must be filed in the place(s) where the committee would be required to file the campaign statements as if it were formed or existing primarily to support or oppose the local measure.

C. When to File the Form 497 – Primarily Formed Ballot Measure Committees

24-Hour/10-Day Reports – State and Local Primarily Formed Ballot Measure Committees

A state or local primarily formed ballot measure committee must file the Form 497 **within 24 hours** in each of the following situations:

- The committee **receives** contributions totaling \$1,000 or more from a single source within 90 days before the election, including the date of the election.
- The committee **makes** contributions totaling \$1,000 or more to a primarily formed committee or a candidate election committee within 90 days before, including the date of, the measure's or candidate's election, or to a state or county political party committee within 90 days before any state election, including the date of the election.

Filing deadlines for the 24-Hour/10-Day reports are extended to the next business day when the deadlines fall on Saturdays, Sundays, or official state holidays, but the extension does not apply to the Saturday, Sunday or an official state holiday immediately prior to the election.

QUICK TIP: A loan of \$1,000 or more that is forgiven during the 90-day election cycle, including the day of the election, triggers a 24-Hour/10-Day Contribution Report.

QUICK TIP: Committees should refer to the campaign filing schedules on the FPPC website.

Ex 8.4 - A statewide initiative is being drafted. In anticipation of the initiative qualifying for the ballot, a group sends solicitation requests and raises \$55,000. The group is not required to file disclosure reports listing the sources of the \$55,000 until petition circulation begins. On the first day of petition circulation, the group qualifies as a committee and is subject to reporting obligations. The committee must file a Form 410 within 10 calendar days and, because the committee raised \$25,000 or more, it must file the Form 497 electronically within 10 business days listing any single contributor of \$5,000 or more. If the measure is placed on the ballot, the committee must file the Form 497 for each \$1,000 contribution received during the 90-day election cycle, including the day of the election.

10-Day Reports – State Primarily Formed Ballot Measure Committees that File Electronically

A state primarily formed ballot measure committee that is required to file electronically must file the Form 497 **within 10 business days** in each of the following situations:

- The committee **receives** a contribution of \$5,000 or more at any time other than during the 90-day election cycle.
- The committee **makes** contributions totaling \$5,000 or more to support or oppose a different state ballot measure in another election at any time.

Form 497 Requirements for Committees Qualifying a State or Local Ballot Measure for the Ballot

24-Hour Reports. A committee that is circulating petitions for a state or local ballot measure to appear on a ballot is not subject to the 90-day, 24-hour reporting requirements for contributions received until the measure is approved for the ballot.

Form 497 Requirements for Committees Qualifying a State Ballot Measure for the Ballot

10-Day Reports. A committee that files electronically and is circulating petitions for a state measure to appear on a ballot must file the Form 497 **within 10 business days** in each of the following situations:

- The committee **receives** a contribution of \$5,000 or more.
- The committee **makes** contributions totaling \$5,000 or more to support or oppose a different state ballot measure.

QUICK TIP: The Form 497 required for contributions received of \$5,000 or more is often the first report required by a committee raising funds while circulating petitions to qualify a state measure.

D. When to File the Form 497 – General Purpose Ballot Measure Committees

24-Hour Reports – State and Local General Purpose Ballot Measure Committees

A state or local general purpose ballot measure committee must file the Form 497 **within 24 hours** if the committee **makes** contributions totaling \$1,000 or more to a committee that is primarily formed to support or oppose a ballot measure or to a candidate's election committee within 90 days before, including the date of the measure's or candidate's election, or to a state or county political party committee, within 90 days of any state election, including the date of the election.

Ex 8.5 - A state general purpose ballot measure committee that is an E-filer, is formed to support water issues. The committee makes a \$40,000 contribution to a state primarily formed ballot measure committee during the petition circulation period. Both committees must file the Form 497 disclosing the contribution.

Filing deadlines for the 24-hour reports are extended to the next business day when the deadlines fall on Saturdays, Sundays, or official state holidays, but the extension does not apply to the Saturday, Sunday or an official state holiday immediately prior to the election.

10-Day Reports – State and Local General Purpose Ballot Measure Committees

A **state** general purpose ballot measure committee that files electronically must file the Form 497 within 10 business days in each of the following situations:

- The committee makes contributions totaling \$5,000 or more to a committee primarily formed to support or oppose a single state ballot measure.

- The committee makes contributions totaling \$5,000 or more to another state general purpose ballot measure committee and the receiving committee files electronically and either:
 - The donor knows the contribution will be used to support or oppose a single state ballot measure; or
 - The receiving committee has reported contributions or expenditures exceeding \$100,000 in the past twelve months to support or oppose a single state ballot measure.

Committees should review Regulation 18466 for additional information about the \$5,000 ballot measure reports. These reports are more frequently filed before or during the period for qualifying a measure for the state ballot. For example, a political party committee may solicit contributions for the purpose of qualifying a state ballot measure.

A **state or local** general purpose ballot measure committee that **makes** contributions totaling \$5,000 or more to support or oppose the **qualification** of a single **local** initiative or referendum ballot measure must file the Form 497 within 10 business days.

E. When to File the Form 497 for Multiple Nonmonetary Contributions

A committee that anticipates receiving more than one nonmonetary contribution from a single contributor during the 90 days before the election, including the date of the election, may, on or before the deadline, file a single Form 497 covering the entire 90-day period. The report should disclose the total value of nonmonetary contributions that will be received, or, if the actual value of nonmonetary contributions is not known at the time of filing, a good faith estimate of the value that will be received during the period.

If the value of the nonmonetary contributions received differs from the estimated amount by 20 percent or more, the estimated report must be amended within 24 hours from the time the committee knows that the estimated value is incorrect.

Ex 8.6 - Trevor Bell is a city council member running for re-election in a June election. Trevor also controls a committee that is formed to support a ballot measure that will be on the city's November ballot. During the 90 days before the June election, including the day of the election, each time Trevor's candidate election committee or their controlled ballot measure committee receives contributions totaling in the aggregate \$1,000 or more from a single source, the receiving committee must file the Form 497 within 24 hours.

F. Candidate Controlled Ballot Measure Committees

A ballot measure committee controlled by a state or local candidate must file the Form 497 **within 24 hours** of receiving contributions totaling in the aggregate \$1,000 or more from a single source during the 90 days before the candidate's election, including the date of the election.

A ballot measure committee controlled by a **state** candidate or officeholder that files electronically must also file the Form 497 **within 10 business days** of receiving a contribution of \$5,000 or more at any time other than during the 90-day, 24-hour reporting period.

497 Contribution Report

Amounts may be rounded to whole dollars.

| A NAME OF FILER Yes on Prop 2, Support School Financing, Sponsored by Education Leaders | | B Date of this Filing 9/16/XX | | Date Stamp | CALIFORNIA FORM 497 For Official Use Only |
|---|---|---|---|--|---|
| AREA CODE/PHONE NUMBER 805-555-1221 | I.D. NUMBER (if applicable) 13432XX | Report No. 1 | <input type="checkbox"/> Amendment to Report No. _____ (explain below) | | |
| STREET ADDRESS 1500 Seventh Avenue, Suite 450 | | CITY Santa Barbara | | STATE CA | ZIP CODE 93103 |
| 1 Contribution(s) Received | | No. of Pages 1 | | | |
| DATE RECEIVED | FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER) | CONTRIBUTOR CODE * | IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS) | AMOUNT RECEIVED | |
| 9/15/XX | Bridges Electric Company 1313 Main Street Ventura, CA 93002 | <input type="checkbox"/> IND <input type="checkbox"/> COM <input checked="" type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC | | \$2,000 <input type="checkbox"/> Check if Loan _____% Provide interest rate | |

G. Completing the Form 497

A Filer Information

Provide the committee's full name, telephone number, street address, city, state, zip code, and identification number.

B Date, Report Number, Number of Pages

Indicate the date the report is being filed; assign a unique number to each Form 497, such as 1, 2, 3, PR-1, PR-2, PR-3, etc.; and, indicate the number of pages included in the report.

1 For Contributions Received, Provide:

- The date received;
- The contributor's full name, street address, the appropriate contributor code, and, if the contributor is an individual, their occupation and employer, or, if self-employed, enter the name of their business; and
- The amount of the contribution. If the contribution is a loan, check the box and include the interest rate, if any.
- For contributions of \$100 or more received from a limited liability company (LLC) that has qualified as an independent expenditure committee or major donor, include the name of the LLC and the full legal name of the LLC's responsible officer as defined in Regulation 18402.2. For contributions of \$100 or more received from an LLC that has qualified as a recipient committee, include the name of the committee and its principal officer as defined in Section 82047.6. For an LLC that has not qualified as a committee, include the name of the LLC and the full legal name of the individual primarily responsible for approving the contribution. If more than one individual shares in the primary responsibility of approving a contribution, at least one such individual must be identified.

2**2. Contribution(s) Made**

| DATE MADE | FULL NAME, STREET ADDRESS AND ZIP CODE OF RECIPIENT (IF COMMITTEE, ALSO ENTER I.D. NUMBER) | CANDIDATE AND OFFICE OR MEASURE AND JURISDICTION | AMOUNT OF CONTRIBUTION | DATE OF ELECTION (IF APPLICABLE) |
|--------------------------------------|--|---|------------------------|-------------------------------------|
| 10/XX/XX | Yes on Measure B Save the Sports Team (ID# 1378XXX) 222 Main Street Sacramento, CA 95814 | Measure B, City of Sacramento | \$2,000 | 11/XX/XX |
| Reason for Amendment: _____ _____ | | | | |

2**For Contributions Made, Provide:**

- The date made;
- Information about the recipient of the contribution. In the case of a nonmonetary contribution, report the committee receiving the benefit of the contribution, not the vendor;
- The name of the candidate and office or measure and jurisdiction;
- The amount of the contribution; and
- For a contribution made to a city or county committee, enter the date of the election.

Amendments

To amend a previously filed Form 497, file a new Form 497 with the corrected information and the “Amendment” box checked. The “Report Number” of the report being amended should be included. There is no deadline for filing amendments. However, they should be filed as soon as practicable. File the amendment in the same location(s) as the original.

Authority

The following Government Code sections and Title 2 regulations provide authority for the information in this chapter:

Government Code Sections

- 81004.5 Reports and Statements; Amendments.
- 81005 Reports and Statements; Filing Deadline on Weekend or Holiday.
- 82015 Contribution.
- 82036 Late Contribution.
- 84200.6 Special Campaign Statements and Reports.
- 84203 Late Contribution; Reports.
- 84203.3 Late In-Kind Contributions.
- 84204.5 Ballot Measure Contributions and Expenditures; Reports.
- 84615 Campaign Reports and Statements - Electronic Filing for Local Agencies.
- 85309 Online Disclosure of Contributions.

Title 2 Regulations

- 18215 Contribution.
- 18250 Street Address.
- 18402.2 Limited Liability Companies, Responsible Officer.
- 18421.1 Disclosure of the Making and Receipt of Contributions.
- 18421.10 Reporting Contributions from Limited Liability Companies.
- 18425 24-Hour Contribution Reports.
- 18466 State Ballot Measure Contributions and Expenditures; Online Reports.