

August 19, 1976

76-08-228

Assemblywoman Pauline Davis
State Capitol
Sacramento, California 95814

Dear Assemblywoman Davis:

Last week you asked me to provide you with informal advice on the question of your reporting responsibilities for a dinner held in your honor. Tickets to the dinner are \$6.00 and it is expected that the proceeds will be used for your trip to Europe.

The event must be reported either on your campaign statement or your Statement of Economic Interest. In order to determine whether to report the dinner on your Statement of Economic Interest or campaign statement, it is necessary to apply the provisions of the Political Reform Act and the regulations adopted by the Commission to the facts provided by you.

A campaign statement must report contributions received or expenditures made. A payment received by you is a contribution "unless it is clear from the surrounding circumstances that it [the payment] is not made for political purposes." Government Code Section 82013.

In a regulation the Commission has defined "political purposes" to mean "for the purpose of influencing or attempting to influence the action of the voters for or against the nomination or election of a candidate or candidates, or the qualification or passage of any measure." 2 Cal. Adm. Code 18215(a).

If the payment is a contribution, your campaign statement must itemize each contribution of \$50 or more and each expenditure of \$50 or more. In determining the \$50 threshold, you must list those persons who purchase ten or more \$6.00 tickets or persons who make payments of \$50 or more; for such persons,

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you must provide the address, occupation, and employer. Finally, no lobbyist may purchase a ticket to the event since the lobbyist would be making a political contribution. Employers of lobbyists are permitted to buy tickets provided that the lobbyist does not arrange the contribution.

It is my understanding from our conversation that all of the dinner's proceeds will be used for a gift to you and none will be used for any political purposes such as paying off past debts, making contributions to other candidates, etc. If the above is correct, then the payments received by you are not contributions but gifts.

Under the Political Reform Act, the source of any gift of \$25 or more received must be reported on your Statement of Economic Interest. Gift is defined as "any payment to the extent that consideration of equal or greater value is not received." Government Code Section 82028.

The source of the gift to you will be each person who buys a ticket to the event. Thus you must list on your Statement of Economic Interest (Form 721, Schedule E) each person who purchases five or more tickets or any person who makes payments of \$25 or more. Unlike the reporting requirements for campaign statements, you need not list the person's occupation or employer's name. Also you do not have to itemize expenditures.

A lobbyist may not purchase more than one \$6.00 ticket because of Government Code Section 86203 which prohibits a lobbyist from making a gift of more than \$10 per month to a state officeholder.

You have also asked about the reporting requirements of persons who purchase tickets. Lobbyists must report the purchase of even one ticket. Employers of lobbyists and persons who spend \$250 or more in any month to influence legislative or administrative action must report any payment of \$25 or more. All other persons do not have any reporting requirements.

In conclusion, it is my informal view that you should report the dinner on your Statement of Economic Interest since it appears that it is not being held for political purposes.

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Please feel free to call on me if you have any further questions.

Very truly yours,

Robert M. Stern
General Counsel

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