

MEMO TO FILE

82002
M-76-265

FROM: Baker

RE: Telephone Conversation With Edward Boyd 4/7/76

Boyd's group is called the United Organization of Taxpayers. His questions concerned an expenditure of \$3,500 by another group, the Apartment Association of L.A. County which ran an ad in the newspaper in support of the initiative for which Boyd and his organization are the proponents. I told him that the question of whether the Apartment Association of L.A. would be a committee and, therefore, have independent reporting requirements was now unsettled, that the Commission had accepted an opinion request on this issue, and that in the meantime, this association would have no reporting requirements because any opinion we issued would have prospective effect only. I told him, however, that he, as the proponent, may have to report the expenditure by the Apartment Association as a contribution or as an expenditure (in the unlikely event that the Commission adopts Dan's and Bob's view that the proponent is obligated to report all its expenditures made by anyone in support of an initiative qualification drive pursuant to §85200 which requires that no expenditure be made without the implied or explicit authorization of the proponent -- I did not explain all this to Boyd. I told Boyd that the Commission was presently considering the adoption of regulations on contributions and expenditures which would clarify this issue. I advised him to maintain the records of this newspaper advertisement so that he would be able to report the expenditure if he had to.

Boyd also asked me whether, when his organization purchases a newspaper ad to support or oppose pending legislation, they become lobbyists within the meaning of the Act. I asked him whether they do anything more and he said no. He asked for written confirmation of that opinion, so I told him to submit an opinion request and we would respond.

On 4/9/76, I spoke with Mr. Boyd again. He questions me again whether the purchase of an ad in the paper with respect to pending legislation would require a report to be filed. He said that Nan Hambleton had told him there was such a requirement. I told him I would check with Nan. I did and then informed Mr. B. that he would be required to file a report under §86108(b) if he spent over \$250 in any one month. I told him we would send him a copy of the form 650 and a copy of the new manual which will be out next week.

MJB:pvp

4/29/76

MEMO TO THE FILE

02023
M-76-265

RE: TELEPHONE CONVERSATION WITH EDWARD BOYD (3/30/76)

Nan asked me to call Edward Boyd (213-799-5079), who is apparently one of the proponents for a statewide initiative to impose a 1% limitation on property taxes. It would be a constitutional amendment. He said they had been circulating their petition for about a month. He had called Nan to ask about reporting requirements of contributions and expenditures, and Nan had mentioned to him that he also might have obligations with respect to the spending limitation of §§85200-85203.

I asked him if he was using paid petition circulators. He said, not yet, but that they may have to use them in the future. I advised him that if he used paid circulators, some of the expenditures he was incurring in his qualification drive would have to be included within the limitation. I told him that all expenditures incurred in connection with the use of paid petition circulators would come under the lid. I gave him some examples: compensation to paid circulators, expenditures to recruit the paid circulators, expenditures to organize, supervise, train, instruct and provide materials to paid circulators, and administrative and overhead expenses allocable to use of paid petition circulators. I told him that the Commission would be adopting regulations soon to provide some guidelines with respect to these allocations.

I also explained to him that these new regulations were arising out of a lawsuit in which a judgment had only recently been entered.

I got the feeling from talking to him that he was not

very optimistic about gathering the number of signatures he needed and that he thought there was little likelihood that he would spend more than the spending ceiling of \$158,082.

He also asked whether expenditures for newspaper ads would come under the lid. I told him not unless the newspaper ads were to recruit paid circulators. I also advised him that expenditures for first amendment protected activity such as mailings, newsletters, brochures, etc., were also exempted from the limitation.

I urged him to call me if he had any questions regarding the limitations or the reporting requirements.

He indicated in the call that he realized that he would have reporting obligations 65 days after the measure either qualified or failed to qualify.

Mr. Boyd called me back on 3/31/76 to ask whether he would have to include a copy of his committee's bylaws and articles of incorporation when filing the campaign statements due after the circulation. Apparently, the committee is an incorporation, the United Organization of Taxpayers. I told him that there was no requirement that he file the articles and bylaws. He would only have to identify the committee by name, address, etc.