

## FAIR POLITICAL PRACTICES COMMISSION

1100 K Street  
San Francisco 95814  
(415) 322-5660

February 4, 1976



A-76-336

Don Kinchloe, Treasurer  
Operating Engineers Local Union #3  
474 Valencia Street  
San Francisco CA 94103

Re: Request for Opinion  
No. 76-011

Dear Mr. Kinchloe:

Thank you for your letter of January 19, 1976, requesting an opinion with respect to your organization's reporting obligations under the Political Reform Act. Since your opinion request does not raise a substantial question of interpretation under the Act, no formal opinion will be issued. I hope, however, that the following informal comments will be helpful.

The advice you received from Ms. Kutchins with respect to the proper method of reporting was correct. Each campaign statement that you file with respect to a particular election should disclose all expenditures and contributions during the reporting period and not only those related to the particular election in which your organization is involved. See California Government Code Section 84210. The staff recognizes, however, that this method of reporting does create certain problems and presently is considering proposing legislative amendments designed to rectify the problems.

With respect to the statements you already have filed, I would suggest that you adopt the following procedure. You should file your semi-annual statement reporting those expenditures and contributions which have not previously been disclosed through December 31, 1975. You should then send a copy of this semi-annual campaign statement to the various filing officers with whom you previously filed campaign statements relating to special elections and request that the semi-annual statement be attached to your original campaign statement as a supplement. You also should indicate to your filing officer that you are following this procedure pursuant to the instructions of the Commission. In the future, of course, you should file complete campaign statements for every election unless, and until, the Act is amended.

Don Kinchloe  
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Thank you for your interest in the Political Reform Act. If you have any further questions, please contact Kenneth Finney, Chief of the Commission's Legal Division.

Sincerely,

*Daniel H. Lowenstein*  
Daniel H. Lowenstein  
Chairman, for the  
Commission

DHL:pvp

Date Received 1-22-76

Response Due 2-5-76

# Operating Engineers Local Union No. 3

OF THE  
INTERNATIONAL UNION OF OPERATING ENGINEERS  
AFFILIATED WITH THE AFL-CIO

Jurisdiction:  
Northern California, Northern Nevada,  
Utah, Hawaii and Mid-Pacific Islands



Telephone 431-1568  
474 Valencia Street  
San Francisco, California 94103

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January 19, 1976

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Mr. Dan Lowenstein, Chairman  
Fair Political Practices Commission  
P. O. Box 807  
Sacramento, CA 95804

Dear Mr. Lowenstein:

Exercising the right under California Administrative Code, Title 2. Administration, Division 6 Fair Political Practices Commission, 18320, as treasurer of Operating Engineers Local Union No. 3, I.D. #743063 we are hereby requesting an opinion of the Fair Political Practices Commission.

Operating Engineers Local Union No. 3 is a major donor supporting candidates and ballot measures, and officeholders in the State of California. A statement of organization was filed with the Secretary of State's office on April 5, 1974, under the Waxman-Dymally law, and filed again under Proposition 9 law on February 3, 1975. All contributions received by Operating Engineers Local Union No. 3 never amount to more than \$50 from any one single source.

After the inception of Proposition 9, Operating Engineers has complied with campaign reporting on all special elections, concerning assembly races, senatorial races, city and county elections by following each individual reporting requirements of the respective reporting officers. A list of all reports made by Operating Engineers Local Union No. 3 in 1975 under Proposition 9 follows.

Period Covered	Date Filed	Filing Officer	Election
2/23/75-3/22/75	3/26/75	Secretary of State, Los Angeles County, Alameda County	29th Senatorial District, 15th Assembly District

Mr. Dan Lowenstein

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Period Covered	Date Filed	Filing Officer	Election
1/7/75-3/31/75	4/8/75	Secretary of State, Marin County, San Rafael City Clerk, Sutter County, Yuba City Clerk, Tuolumne County, Alameda County, San Francisco Regis- trar, Los Angeles County, Fresno County, Santa Clara County, Stanislaus County, Modesto City Clerk	All activity between 1/7-3/31/75 (Filed as a pre- caution, at this time definite reporting periods not set up by F.P.P.C.)
3/11/75-4/5/75	4/8/75	Oakland City Clerk, Alameda County	Oakland City
1/7/75-3/31/75	4/24/75	Modesto City Clerk, Stanislaus County	Amended statement
3/29/75-5/3/75	5/6/75	Richmond City Clerk	Richmond City
4/6/75-5/3/75	5/6/75	Oakland City Clerk	Oakland City
3/23/75-5/30/75	6/5/75	Los Angeles County	29th Senatorial District
5/4/75-6/12/75	6/17/75	Oakland City Clerk	Oakland City
5/4/75-7/10/75	6/17/75	Richmond City Clerk	Richmond City
1/7/75-6/30/75	7/31/75	Secretary of State, San Francisco County, Los Angeles County, Santa Clara County, Richmond City Clerk, Manteca City Clerk, Modesto City Clerk, San Rafael City Clerk, Yuba City Clerk, Tuolumne County, Alameda County, Fresno County, Oakland City Clerk	Off-year statement, semi-annual report
1/7/75-9/22/75	9/24/75	San Francisco Regis- trar	San Francisco City
7/1/75-10/28/75	10/29/75	Sacramento City Clerk	Sacramento City

Period Covered	Date Filed	Filing Officer(s)	Election(s)
9/30/75-10/25/75	10/28/75	Secretary of State, Yolo County, Solano County, Sacramento County	4th Assembly District
10/26/75-11/22/75	11/25/75	Secretary of State, Yolo County, Solano County, Sacramento County	4th Assembly District
9/2/75-9/29/75	10/2/75	Stockton City Clerk	Stockton City
9/23/75-10/22/75	10/23/75	San Francisco Reg- istrar	San Francisco City
9/30/75-12/11/75	12/18/75	Stockton City Clerk	Stockton City
10/20/75-1/8/76	1/8/76	Alameda County, Contra Costa County	Alameda County
10/20/75-1/8/76	1/8/76	Marin County	Novato City
10/23/75-1/8/76	1/8/76	San Francisco Reg- istrar	San Francisco City

In filing the special election reports, each individual city or county election was handled separately, with separate cumulative totals. As we understood it, the objective was to show only what activity took place in each respective area covered by a special election.

It was our intention to file the January 31, 1976 report to the Secretary of State, showing all activity between July 1, 1975 through December 31, 1975 listing everything that was reported on all special election reports, as well as all other contributions made to officeholders not currently running for election. Several expenditures were made to officeholders during the period of July 1, 1975 through December 31, 1975, that we felt did not belong on any of the special election reports - but belonged on the off-year statement due on January 31, 1976 to the Secretary of State.

After talking with Regina Kutchins of the Fair Political Practices Commission, we discovered that our method of reporting is incorrect. We learned that the correct way is to report all expenditures we made during each special reporting period. All expenditures were supposed to be listed, even though they may not have pertained to that special city or county in which we were reporting.

Example: On September 11, 1975 we issued a check to Lt. Governor Dymally Northern Account in the amount of \$500. Should this contribution have been reported to the San Francisco Registrar during the period of 1/7/75-9/22/75?

Example: On November 10, 1975 we issued a check to the Committee to Re-Elect Senator Randolph Collier in the amount of \$1,000. Should this have been reported to the Stockton City Clerk during the period of 9/30/75-12/11/75?

If the above is correct, we will have several problems. First, are we expected to report expenditures that we make to a statewide or other officeholder on every special election report? Second, do we ever have to notify the Secretary of State, and any other reporting officers, of expenditures to statewide or other officeholders?

It was our understanding that we are only supposed to report expenditures for statewide or other officeholders to the Secretary of State, and other respective reporting officers, on off-year campaign statements, and that there was no necessity to report such expenditures on special election reports.

It is now our understanding that we should report such expenditures only on special election reports and not to the Secretary of State. This seems to vitiate the purpose of the reports, since the Secretary of State would never know of such contributions.

Since we have not reported expenditures for statewide and other officeholders on special election reports, but only on off-year statements, through June 30, 1975, what should we do now to comply with the law? It would be our preference to send the off-year report through December 31, 1975, listing all expenditures made, and to hereafter report such expenditures as you decide.

Mr. Dan Lowenstein

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Thank you for your anticipated advise.

Sincerely yours,

OPERATING ENGINEERS LOCAL UNION NO. 3



DON KINCHLOE  
TREASURER

DK/jma

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