

State of California



Fair Political Practices Commission

P.O. BOX 807 • SACRAMENTO, 95804 ••• 1100 K STREET BUILDING, SACRAMENTO, 95814

February 25, 1977

77-02-097

Honorable Joseph W. Chandler  
Santa Monica Municipal Court  
1725 Main Street  
Santa Monica, CA 90401

Dear Judge Chandler:

This letter will serve to confirm our telephone conversation of February 23, 1977, in which I provided the answers to the questions posed in your letter of February 7, 1977. Your first question involved potential reporting obligations based on the use of a bank credit card such as BankAmericard or Master Charge. I informed you that the staff has determined that if a bank credit card bill is paid within the normal billing cycle (in other words, no interest charge is incurred), the use of the card would not create a reporting obligation under the Political Reform Act. On the other hand, I also stated that if an interest charge is incurred and the amount of the bill exceeds \$250, the filer will have received a loan within the meaning of Government Code Section 82030 which is reportable. I further indicated to you that the staff was not satisfied with this conclusion but felt constrained by the statute to reach it. However, in light of the staff's dissatisfaction, I think that a regulation or a legislative amendment to the Act will be proposed in order to rectify the situation.

Your second question was similar to the first but involved the use of a credit card issued by a commercial establishment. I responded that our answer is the same. Accordingly, if the bill is paid within the normal billing cycle, no reporting obligation will result. If, however, an interest charge is incurred and the outstanding balance exceeds \$250, this will constitute a reportable loan from the commercial establishment.

Your third question inquired about fees that you receive in exchange for performing wedding ceremonies. I responded that such fees are income if the amount of the charge is the usual fee charged by a judge for performing this service,

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Honorable Joseph W. Chandler  
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and that a gift will be involved only if the fee received were extraordinarily high. In particular, I indicated that fees of \$50 to \$75 would be income and not gifts. I also pointed out that it is not necessary to cumulate all fees received from performing wedding ceremonies to determine if the \$250 reporting threshold is met.

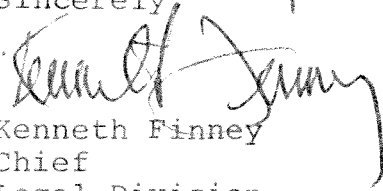
Your fourth question inquired about payments you receive from the Los Angeles County Employees' Retirement Board and payments that you make to the Judges' State Retirement Fund. I indicated that the payments you receive from the Los Angeles County Employees' Retirement Board are not reportable as income because they are "salary...received from a... local government agency" within the meaning of Government Code Section 82030(b)(2). This conclusion is based on an opinion of the Commission which will be adopted at the March meeting but already has been approved in principle. With respect to the payments you make to the Judges' State Retirement Fund, these do not involve an investment because the Retirement Fund is not a "business entity."

Your fifth question concerned income tax refunds from the federal and state governments. I indicated that tax refunds are not income within the meaning of Government Code Section 82030.

Finally, you inquired whether interest paid to you by the federal government because of a delay in effecting your tax refund would be income. I responded that this type of payment would be income and would be reportable if it amounted to \$250 or more.

I believe the foregoing accurately reflects the substance of our telephone conversation. If you have any further questions, please do not hesitate to contact me.

Sincerely,

  
Kenneth Finney  
Chief  
Legal Division

KF:jo

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CHAMBERS OF  
MUNICIPAL COURT  
SANTA MONICA JUDICIAL DISTRICT  
1725 MAIN STREET  
SANTA MONICA, CALIFORNIA 90401

JOSEPH W. CHANDLER  
JUDGE

February 7, 1977

Fair Political Practices Commission  
State of California  
1100 K Street  
Sacramento, Ca. 95814

Attention: Mr. Kenneth Finney, Director  
Legal Division

Dear Mr. Finney:

Pursuant to our telephone conversation of this morning, I am requesting advice from you pursuant to Section 83114 Government Code, subdivision b, as added by 1976 statutes. I know there is a time problem, but I hope that you can get the answers back to me prior to March 1.

1. Does my purchase of goods and/or services from a commercial establishment effected by my use of a bank credit card, e.g. BankAmericard or Mastercharge, involve a "loan" within the meaning of Section 82030 Government Code and thus reportable by me?

I would concede that apparently the receipt of cash by me directly from my bank upon my presentment to the bank of my bank credit card for a cash advance would be a "loan" within the meaning of the above section. Likewise, apparently, a cash advance by my bank to my checking account, pursuant to a pre-existing agreement between the bank and me whereby the bank agrees to cover any checks written to commercial establishments (up to a certain credit limit) whenever the balance in my account is insufficient to cover a particular check, is a "loan" within the meaning of Section 82030. An example of the latter is Security Pacific National Bank's "Ready Reserve" account and Bank of California's "Money Check" account.

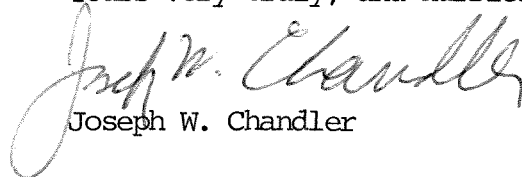
2. Does my purchase of goods and/or services from a commercial establishment made via the establishment's charge account involve a "loan" within the meaning of Section 82030?

Incidentally, you have informally rendered the opinion over the phone that the answer would be "no" to the question raised in each of the above two numbered paragraphs.

3. Are fees for officiating at weddings reportable as either gifts or income when the weddings are performed on an occasional basis, the fee charged in each instance (if not done without fee) is not disproportionate in my view to the time and expense in going to the wedding site, is in each instance more than \$25.00 but considerably less than \$250.00, although the total of said fees over the reporting period is in excess of \$250.00? (I understand from you informally that your view is that they are not so reportable under the conditions herein mentioned; that each wedding is discrete.)
4. Are monthly payments to me from the Los Angeles County Employees' Retirement Board (from previous County employment) reportable as income within the meaning of Government Code Section 82030? (You have informally indicated it is not so reportable on the ground that it basically is "salary. . . received from a state or local government agency" within the meaning of Section 82030(b)(2).) (Likewise, that the source of said payments is not an "investment" within the meaning of Section 82034 Government Code because the County Retirement Board is not a "business entity".) (Likewise, I understand that my investment in the Judges' State Retirement Fund likewise is not an "investment" within the meaning of Section 82034.)
5. Are Federal and State personal income tax refunds reportable as "income" within the meaning of the words "payment" or "rebate"? (You have advised me informally that such refunds are not considered as "income" within the meaning of Section 82030.)
6. Is "interest" paid to me by the Federal government for delay in effecting said refunds, "income" within the meaning of Section 82030?

As mentioned above, I know there is a time problem, but I would appreciate your prompt attention to this matter.

Yours very truly, and hurriedly,

  
Joseph W. Chandler

JWC:bj