87300

State of California

Fair Political Practices Commission

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

Technical Assistance/Administration • • • Executive/Legal • • • Enforcement • • • Conflict of Interest

(916) 322-5660 322-5901 322-6441 322-6444

A-78-070

February 28, 1978

Assemblyman Gary Hart
State Capitol
Sacramento, California 95814

Dear Assemblyman Hart:

Dan Lowenstein has asked me to respond to your letter of January 12, 1978.

Your first question asks whether legislation should be introduced to require Fair Board Directors and District Managers of District Agriculture Associations to file Statements of Economic Interest.

According to our conflicts of interest staff, these persons will be required to file conflicts statements under the recently approved code of the Department of Food and Agriculture. Under this code, which was adopted by the Commission in January of this year, such persons will be required to list:

(1) Investments in any business entity which, during the reporting period, was awarded or bid upon a contract of the Association for, or supplied to it under contract, materials, goods, supplies or services.

(2) Interests in real property which, during the reporting period, was acquired by, leased, or otherwise used by the Association for any consideration.

(3) Each source of income, provided the income was furnished by or on behalf of any person, furnishing or offering to provide real or personal property or services to the Association as stated in paragraphs (1) and (2) above or any gift from any such person, including concessionaires.

These officials' first report will be filed this spring.

You have also asked how much may a person contribute anonymously. Under current law, no person may make or receive an anonymous contribution of $50 or more. (Government Code Section 84304) We are sponsoring legislation which will be carried by Assemblyman Bill Thomas to raise this threshold as well as the reporting threshold to $100.

Please feel free to call on me if you have further questions about the matters raised in your letter.

Sincerely,

Robert M. Stern

Robert M. Stern
General Counsel

RMS:nc

SACRAMENTO ADDRESS
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JERRY SEEDBORG
ADMINISTRATIVE ASSISTANT

Assembly
California Legislature

COMMITTEES
EDUCATION
HEALTH
WAYS AND MEANS
COMMISSION ON THE STATUS OF WOMEN

GARY K. HART
ASSEMBLYMAN, THIRTY-FIFTH DISTRICT

CHAIRMAN
SUBCOMMITTEE ON EDUCATIONAL REFORM

Approved last mtg will talk after staff

January 12, 1978

Chief
Prog Ad.
Bus. Serv
Other

Mr. Daniel H. Lowenstein
Chairman
Fair Political Practices Commission
P.O. Box 807
Sacramento, CA 95814

Mgr K
Directors
Sec Mg
Asst Mgr

Dear Dan:

My Assembly District includes the 19th and 37th District Agricultural Associations. On several occasions, Fair Board Directors and other persons in my district have expressed the concern that there is a potential for conflict of interest on the part of the Directors and District Managers.

It is my understanding that Directors and Managers establish contracts for building maintenance and construction, trophies, and exclusive food catering service that often run into thousands of dollars. While these contracts are reviewed by the Department of Food and Agriculture, Division of Fairs and Expositions, these contracts are often with small, local firms and the financial interests of Directors and Managers is not usually known.

Two years ago my staff discussed this with Carlotta Mellon's office and found they do have a form that is sometimes given to potential Fair Board appointees, but this is not always done. It seems that legislation to require conflict of interest statements would be appropriate.

I would be interested in your opinion regarding such conflict of interest requirements for Fair Board Directors and Managers, and whether or not you feel legislation would be an appropriate response.

I do not know what the chances of legislative success might be given the general lack of enthusiastic support for other conflict of interest requirements on the part of my colleagues, but I think it should be seriously considered. Legislation might be difficult to pass, but I would be willing to try if there is a need.

On another matter, I have been asked by two legislative committee staff members what is the maximum anonymous contributions they can make to an upcoming legislative campaign. It's unfortunate staff members feel they need to protect their anonymity, but I think this is probably the only way they can contribute without possible professional repraisals later on. Could you bring me up to date on the provisions of the law in this regard?

Sincerely,

GARY K. HART

GKH:bp

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GARY K. HART
ASSEMBLYMAN, THIRTY-FIFTH DISTRICT

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January 12, 1978

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Chairman
Fair Political Practices Commission
P.O. Box 807
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