

86109(f)

State of California



Fair Political Practices Commission

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Technical Assistance/Administration	• • •	Executive/Legal	• • •	Enforcement	• • •	Conflict of Interest
(916) 322-5660		322-5901		322-6441		322-6444

February 15, 1978

78-238

Esther Greene
 California Chamber
 of Commerce
 455 Capitol Mall, Suite 300
 Sacramento, CA 95814

Dear Esther:

This will confirm the advice which I gave to you in our telephone conversations of last week and February 15, 1978.

The California Chamber of Commerce ("Chamber") is planning to send a letter to its members expressly advocating the election or defeat of a clearly identified local ballot measure. You asked whether the expenditure for that mailing must be reported on the Chamber's Lobbyist Employer Report (Form 650). Under Government Code Section 86109(f), a lobbyist employer must report the date and amount of each contribution it makes in the reporting period and the name of the recipient.

As you can see from page two of the enclosed copy of the June 24, 1977, letter to Vigo G. Nielsen the Fair Political Practices Commission has advised that the intent of Government Code Section 86109(f) "was to obtain disclosure of all payments made for a political purpose by the filer." Therefore the value of the expenditure will have to be reported on Part 3 of Form 650, even if it related to a local measure. The Nielsen letter further explains how to report the expenditures.

You have stated that more than 200 of the letters will be sent in a calendar month. Accordingly the letter will be a mass mailing, Government Code Section 82041.5, and must contain the name of the sender in no less than six-point type on the envelope and on at least one of the inserts. The "sender" has been defined to be the person who pays the largest portion of the cost of a communication. See 2 Cal. Adm. Code

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Section 18435. However since the letter will pertain to a local ballot measure, the Chamber will not have to send a copy of its mass mailing to the Commission.

Since the expenditures were not made under the control or at the direction of the local committee, the expenditures were not in-kind contributions. Accordingly the Chamber will qualify as a committee under Government Code Section 82013(b) with reporting obligations under the Political Reform Act when its expenditures relating to state and/or local candidates or committees (supporting or opposing candidates and/or ballot measures) total \$500 or more in a calendar year.

I am enclosing for your information, a copy of the Fair Political Practices Commission's regulation, 2 Cal. Adm. Code Section 18419, on organizations sponsoring political action committees.

If you have any additional questions, please feel free to contact me.

Sincerely,

Barbara

Barbara Campbell
Counsel
Legal Division

BC:plh
Enclosures