

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 •• Statements of Economic Interest
(916) 322-5662 322-5660 322-5901 322-6441 322-6444

March 8, 1984

John M. Carroll
Counsel
Democratic National Committee
1625 Massachusetts Ave., N.W.
Washington, D.C. 20036

Re: Your Request for Advice Our
File No. A-84-022

Dear Mr. Carroll:

This letter is sent to confirm telephone advice you received from this office concerning the Political Reform Act filing obligations of persons contributing to the Democratic National Committee's ("DNC") NonFederal Individual Account.^{1/}

FACTUAL BACKGROUND

My understanding of the situation is as follows. The DNC maintains several different types of accounts for which it solicits contributions and from which it makes expenditures. There are federal and nonfederal accounts; among the nonfederal accounts, there are corporate, labor and individual accounts. The books for each of these accounts are kept separately. Your question concerns the DNC's NonFederal Individual Account; this Account holds contributions from individuals which are used to support state and local campaign activities. In 1983, the DNC raised money from individuals in California and deposited the funds in the NonFederal Individual Account; however, no expenditures from this Account were made in connection with California elections. In 1984, the DNC again plans to raise funds for this Account from individuals in California, but it

^{1/} The Political Reform Act is contained in Government Code Sections 81000-91014. All statutory references are to the California Government Code.

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does not plan to make any expenditures from the Account in connection with California elections. Based on these facts, you asked whether contributions to this Account are contributions within the meaning of the Political Reform Act and, thus, would count toward the \$5,000 threshold for determining "major donor" status.

CONCLUSION

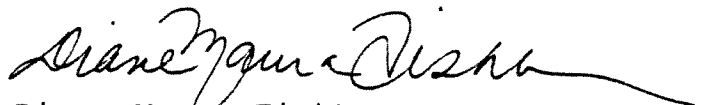
Contributions to the DNC's NonFederal Individual Account are not contributions within the meaning of the Act under the circumstances described, and thus would not count toward the \$5,000 threshold for determining "major donor" status.

ANALYSIS

Under the Political Reform Act, any person or combination of persons who "[m]akes contributions totaling five thousand dollars ("\$5,000") or more in a calendar year to or at the behest of candidates or committees" is a "major donor" committee with the attendant filing obligations. Section 82013(c). Contributions only include contributions in connection with state and local elections in California. See Sections 82007, 82013, 82015, 82022 and 82023. Accordingly, contributions made in connection with elections outside of California will not be counted in determining whether a person is a California major donor, nor are they reportable contributions if the contributor is already reporting as a major donor.

I hope this letter responds to all of your concerns. If I can be of further assistance, please feel free to contact me at (916) 322-5901.

Sincerely,



Diane Maura Fishburn
Staff Counsel
Legal Division

DMF:plh

DEMOCRATIC

NATIONAL COMMITTEE 1625 Massachusetts Ave., N.W. Washington, D.C. 20036 (202)797-5900

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E P P C

February 1, 1984

Ms. Carla Wardlow
Political Reform Consultant
California Fair Political
Practices Commission
P.O. Box 807
Sacramento, California 95804

Dear Ms. Wardlow:

As I informed you in our recent telephone conversations on January 27th and 30th, the Democratic National Committee/DNC Services Corporation ("DNC") is currently registered in California (I.D. #830194), as a general purpose political committee. I explained that in 1983 the DNC raised money from individuals in California and deposited these funds in the DNC's Non Federal Individual Account, but made no expenditures from this account in connection with California elections. Additionally, I stated that the DNC has no present intent to make contributions or expenditures from this account in connection with California elections in 1984.

Based upon the foregoing, you advised me that contributions to the DNC's Non Federal Individual Account would not qualify as political contributions in California and, therefore, would not be applied against each contributor's five thousand dollar (\$5,000) annual aggregate contribution limit for purposes of determining whether such donor was a "major donor" under California law.

Nevertheless, contributors to the DNC's Non Federal Individual Account may be concerned that such contributions will be counted towards their aggregate contribution totals for purposes of determining major donor status under California law. Accordingly, in order to assure our contributors that contributions to the DNC's Non Federal Individual

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Account will neither be applied towards his or her five thousand dollar (\$5,000) annual California contribution threshold nor trigger any reporting requirements on the part of such contributor, I ask that you respond to this letter and confirm my understanding of our recent conversations.

Sincerely,

A handwritten signature in black ink, appearing to read "John M. Carroll". The signature is stylized with a large initial "J" and a long horizontal stroke extending to the right.

John M. Carroll
Counsel

JMC/gtd