



# California Fair Political Practices Commission

July 24, 1992

Jerry Lee Wilson  
P. O. Box 278  
Patton, CA 92369

Re: Your Request for Advice  
Our File No. A-92-390

Dear Mr. Wilson:

This letter is in response to your request for confirmation and confirms the telephone advice provided to you regarding the provisions of the Political Reform Act (the "Act").<sup>1</sup>

## QUESTIONS

1. May the Committee to Recall Eaves for Freedom in America make a contribution of campaign funds to a candidate controlled committee?
2. May the Committee to Recall Eaves for Freedom in America discard items which have no cash value and for which the committee has been unable to locate a purchaser?

## CONCLUSIONS

1. The committee may make a contribution of campaign funds to a candidate controlled committee if the contribution is reasonably related to a political, legislative, or governmental purpose of the committee.
2. The committee may discard items which have no cash value and for which the committee has been unable to locate a buyer.

## FACTS

You are the treasurer for the Committee to Recall Eaves for Freedom in America, #890868. Your recall efforts have failed and

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<sup>1</sup> Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

you wish to terminate the committee. The committee has remaining funds of approximately \$525. The committee also has an inventory of items which were donated to the committee but which have no cash value and for which you have been unable to locate a buyer.

The committee wishes to contribute its remaining funds to a candidate seeking the seat now held by Mr. Eaves in the 66th Assembly District.

ANALYSIS

Under the provisions of the Act, an expenditure of campaign funds must be reasonably related to a political, legislative, or governmental purpose. (Section 89512.) A contribution made to a candidate would appear to be political in nature. Accordingly, your committee may contribute its remaining funds to a candidate seeking election to the office now occupied by the individual your committee attempted to recall.

There are no provisions in the Act which would prevent a committee from discarding inventory which has no value and for which the committee cannot locate a purchaser. However, because inventory is in the nature of assets of the committee, upon closing the committee you must account for this inventory. It would be advisable to compile a list of the items the committee will discard indicating that the items have no value. In addition, disposition of these items may not confer a substantial personal benefit on controlling members of the committee such as yourself. A "substantial personal benefit" is defined as a direct personal benefit of \$100 or more. (Section 89511(b)(2).)

We trust this letter adequately responds to your inquiry. Should you have any further questions regarding this matter, do not hesitate to call me at (916) 322-5901.<sup>2</sup>

Sincerely,

Scott Hallabrin  
Acting General Counsel



By: Blanca M. Breeze  
Counsel, Legal Division

SH:BMB:bb

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<sup>2</sup> Copies of Commission regulations and Opinions are available in many law libraries. Alternatively, copies of these materials and Commission advice letters may be obtained from the Commission at a cost of 10¢ per page.