



California Fair Political Practices Commission

July 13, 1993

Mr. Robert J. Rossi
Meadow Creek Estates, Inc.
P.O. Box 4113
Concord, CA 94524

Re: Your Request for Informal Assistance
Our File No. I-93-211

Dear Mr. Rossi:

On behalf of the shareholders of Meadow Creek Estates, Inc. you have requested advice concerning the campaign reporting provisions of the Political Reform Act (the "Act").^{1/} Because you have not identified two of the shareholders on whose behalf the request is being made, we provide the following informal response to your question.^{2/}

QUESTIONS

1. Must contributions made by Meadow Creek Estates, Inc. which are directed and controlled by Thomas A. Seeno and Albert D. Seeno, Jr., be reported on a consolidated major donor report with Messrs. Seeno?

2. Do contributions made by Meadow Creek Estates, Inc. trigger campaign reporting requirements for the two shareholders who do not direct or control the corporation's contributions?

CONCLUSIONS

1. A consolidated major donor report must be filed disclosing all contributions made by Meadow Creek Estates, Inc.

1/ 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.

2/ Informal assistance does not provide the requestor with the immunity provided by an opinion or formal written advice. (Government Code Section 83114; 2 Cal. Code of Regs. Section 18329(c)(3).)

and any other entity of which Thomas A. Seeno and Albert D. Seeno, Jr. jointly direct and control contributions and expenditures. Because neither individual independently directs and controls contributions and expenditures from these entities, contributions and expenditures made from their personal funds need not be included for purposes of determining the entities' status as a major donor committee or for reporting.

2. Contributions and expenditures made with funds of Meadow Creek Estates, Inc. do not trigger reporting requirements for the other shareholders.

FACTS

Meadow Creek Estates, Inc. is made up of two sets of two individuals (four shareholders). One set of shareholders is Thomas A. Seeno and Albert D. Seeno, Jr. and together they jointly hold a 50% interest in the corporation. In addition, together they direct the corporation's campaign contributions. In a telephone conversation with me on May 27, 1993, you stated that they also jointly own several other corporate entities and together they direct contributions from these entities. In the past, a consolidated major donor report was filed by Thomas A. Seeno and Albert D. Seeno, Jr. which included the contributions made by their affiliated entities and Meadow Creek Estates, Inc. In addition, on June 17, 1993, you stated that in some years the consolidated reports included personal contributions made by Thomas A. Seeno and Albert D. Seeno, Jr. To date in 1993, personal contributions have been made by Thomas A. Seeno. Before June 30, 1993, Meadow Creek Estates, Inc. will make contributions totaling \$10,000 or more to its sponsored recipient committee "No More Garbage in Pittsburgh."

ANALYSIS

The Act requires any person or combination of "persons" who makes contributions totaling \$10,000 or more in a calendar year to file campaign disclosure reports. (Section 82013(c).) This type of committee is referred to as a "major donor" committee.

Under the Act, the term "person" includes corporations. (Section 82047.) In some circumstances, contributions made by more than one entity must be cumulated and such entities are treated as a single filer. Regulation 18531.5(a) clarifies when cumulation of contributions is required:

(a) If the same person or a majority of the same persons in fact directs and controls the decisions of two or

more entities to make contributions or expenditures to support or oppose a candidate or candidates for elective office, those affiliated entities shall be considered one person, one political committee, or one broad based political committee for purposes of the contribution limitations in Government Code Section 85301, 85302, 85303 and 85305.^{3/}

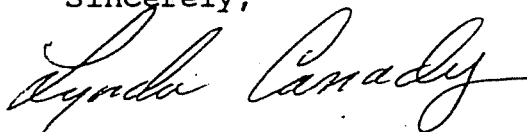
Because Thomas A. Seeno and Albert D. Seeno, Jr. jointly direct and control the campaign contributions made by Meadow Creek Estates, Inc. and other affiliated entities, a consolidated major donor report (Form 461) must be filed. The "Name of the Filer" must include Meadow Creek Estates, Inc. and the names of the other affiliated entities whose contributions and expenditures are included in the report. Additionally, the major donor report must clearly identify which contributions and expenditures were made by each corporation. (Regulation 18428.)

The Commission has also advised that only in situations where a single individual has sole authority to direct an entity's contributions are the individual's contributions cumulated with the entity's contributions. (Recht Advice Letter, No. I-89-571, Olson Advice Letter, No. A-90-302, and Bagatelos Advice Letter, No. I-90-457.) Since the contributions of Meadow Creek Estates, Inc. are not directed by a single individual, Thomas Seeno's 1993 personal contributions should not be disclosed and his name should not appear in the Name of the Filer on the consolidated major donor report filed by Meadow Creek Estates, Inc. Of course, if Thomas Seeno's personal contributions totaled \$10,000 or more in 1993 and were made to or at the behest of candidates or committees, he would himself become a filer pursuant to Section 82013(c). Furthermore, because contributions and expenditures made by Meadow Creek Estates, Inc. are directed by Thomas Seeno and Albert D. Seeno, Jr., and not by the other shareholders, such contributions do not by themselves trigger campaign reporting requirements for the other shareholders.

^{3/} Although the regulation was adopted to clarify when contributions must be cumulated for purposes of contribution limits, the regulation expresses the Commission's interpretation of when affiliated entities must be treated as a single filer for reporting purposes.

Please do not hesitate to contact me at (916) 322-5662 if you have additional questions concerning this matter.^{4/}

Sincerely,

A handwritten signature in cursive script that reads "Lynda Cassady". The signature is written in dark ink and is positioned below the word "Sincerely,".

Lynda Cassady
Assistant Division Chief
Technical Assistance Division

^{4/} 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.