



California Fair Political Practices Commission

November 3, 1993

Jeanne Pritchard
Remcho, Johansen & Purcell
555 Capitol Mall, Ste. 625,
Sacramento, CA 95814

Re: Your Request for Informal
Assistance
Our File No. I-93-249

Dear Ms. Pritchard:

You have requested advice concerning the lobbying disclosure provisions of the Political Reform Act (the "Act").^{1/} You have not identified the person on whose behalf you are requesting advice. Therefore, we are treating your letter as a request for informal assistance pursuant to Regulation 18329(c).^{2/}

QUESTION

An informal group of organizations and individuals has formed for the purpose sharing information and communicating with the public concerning workers' compensation issues, including legislation. You have asked whether the group as a whole has any reporting obligations under the lobbying disclosure provisions of the Act.

CONCLUSION

The group must file reports as a "\$5,000 filer" pursuant to Section 86115(b) because it made payments to influence legislative or administrative action of \$5,000 or more in a calendar quarter.

^{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. (Section 83114; Regulation 18329(c)(3).)

FACTS

A group of organizations and individuals has formed a coalition for the purpose of sharing information concerning workers' compensation issues. The group has not formally established itself as a tax-exempt organization or any other type of legal entity under California law; however, it does intend to submit an application for tax-exempt status under the Internal Revenue Code. The primary purposes of the coalition are to identify pending legislative or administrative actions which might affect the workers' compensation program in California, to obtain and discuss all information available on each issue and to determine whether the coalition, or any individual member of the coalition, should take any action with regard to a particular issue.

The coalition opened a bank account into which four or five members have made deposits. Two of the members, both lobbyist employers, have donated the majority of the funds in the account. Other members have made donations of less than \$5,000 each. All of the coalition's expenditures have been in connection with "soliciting or urging other persons to enter into direct communication with any elective state official, legislative official or agency official." (Section 82045.) For example, money has been spent to conduct a public rally, to conduct a poll, to prepare a press release, and to pay for radio ads urging the public to contact their legislators concerning specific legislative proposals. During our telephone conversation of September 17, 1993, you stated that all of the written communications were sent under the name of one of the two lobbyist employers. However, the coalition's name was used in the radio ads.

More than \$5,000 in payments have been made from the coalition's bank account in a calendar quarter. No payments have been made to a lobbyist or a lobbying firm. Each of the members that is a lobbyist employer has reported all of its payments as "other payments to influence legislative or administrative action" pursuant to Section 86116(h). Any other member that donates a total of \$5,000 or more during a calendar quarter will file a report pursuant to Section 86115(b).

ANALYSIS

The Act requires persons who make or receive payments for the purpose of influencing or attempting to influence legislative or administrative action to file periodic reports disclosing their activities. (Section 86100, et seq.) Specifically, Section 86115 requires disclosure by:

...(b) Any person who directly or indirectly makes payments to influence legislative or administrative action of five thousand dollars (\$5,000) or more in value in any calendar quarter, unless all of the

Jeanne Pritchard
Our File No. I-93-249
Page 3

payments are of the type described in subdivision (c) of Section 82045.

The term "person" is defined in Section 82047 to mean:

[A]n individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, association, committee, and any other organization or group of persons acting in concert.

(Emphasis added.)

In addition, Section 82045 defines "payment to influence legislative or administrative action" to include a "payment for or in connection with soliciting or urging other persons to enter into direct communication with any elective state official, legislative official or agency official."

Because the coalition was identified in the radio ads urging persons to engage in direct communication, the coalition must file reports as a "\$5,000" filer pursuant to Section 86115(b) for each calendar quarter in which payments to influence legislative or administrative action of \$5,000 or more were made. The coalition's filings should include a list of members who made payments and the amount each member paid to the coalition.

If you have questions concerning this letter, please contact me at (916) 322-5662.

Sincerely,

Carla Wardlow

Carla Wardlow
Division Chief
Technical Assistance Division