

RAVI MEHTA
CHAIRMAN



FAIR POLITICAL PRACTICES COMMISSION

June 28, 1995

Jim Beam
Jim Beam for Assembly
3745 West Chapman Avenue, Ste. 203
Orange, CA 92668

Re: Your Request for Informal
Assistance
Our File No. I-95-205

Dear Mr. Beam:

You have requested assistance concerning the campaign provisions of the Political Reform Act (the "Act").^{1/} Section 83114 and Regulation 18329 provide that any person may request advice concerning his or her own duties under the Act. Because you have not indicated that you are an authorized representative of Orange National Bank, we cannot provide advice to the bank at your request. However, we will provide you with the following informal assistance:^{2/}

You have asked what reporting requirements the Bank of Orange would have if it were to make a loan to your campaign committee.

A loan made by a commercial lending institution in the ordinary course of business is not a contribution and, therefore, is not required to be reported by the lending institution.

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).)

The Act requires persons or combinations of persons who contribute \$10,000 or more in a calendar year to state and local candidates and committees to file periodic campaign reports disclosing contributions and expenditures made. (Sections 82013(c), 84200-84216.5.) In Section 84216, the Act states that:

... a loan received by a candidate or committee is a contribution unless the loan is received from a commercial lending institution in the ordinary course of business, or it is clear from the surrounding circumstances that it is not made for political purposes.

If you have additional questions, please do not hesitate to contact me at (916) 322-5660.

Sincerely,



Trish Mayer
Political Reform Consultant

cc: Larry Sallinger
Orange National Bank