

RAVI MEHTA  
CHAIRMAN



FAIR POLITICAL PRACTICES COMMISSION

December 22, 1995

Fred Colby  
10221 Avenida Magnifica  
San Diego, CA 92131

Re: Your Request for Advice  
Our File No A-95-367

Dear Mr. Colby:

This is in response to your letter requesting advice regarding the campaign disclosure provisions of the Political Reform Act (the "Act").<sup>1</sup>

QUESTION

May you terminate your controlled committee and your status as a candidate with outstanding debt owing to creditors?

CONCLUSION

Yes. Under the provisions of the Act, you may terminate your status as a candidate and your committee may terminate with outstanding debt.

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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.

FACTS

You were a losing candidate for public office. You are no longer seeking and do not anticipate receiving contributions or making expenditures.

Before filing the committee's termination forms, you negotiated agreements with your campaign committee creditors, whereby all of them agreed to accept a final payment of a lump sum equal to 50% or more of the balance owed. In order to make the agreed upon settlement payments you contributed about \$12,000 of your own funds. You have no additional fund raising capability and do not anticipate other sources of income to further reduce the \$9,360.17 debt. You have no outstanding surplus campaign funds and have filed all campaign statements required by the Act disclosing all reportable transactions.

ANALYSIS

Regulation 18404(b) provides:

A candidate may terminate his or her status as a candidate, and a treasurer of a committee which qualifies pursuant to Government Code Section 82013(a) may terminate the committee's status as a committee, only by filing a Statement of Termination declaring, under penalty of perjury, that the candidate or committee:

- 1) Has ceased to receive contributions and make expenditures and does not anticipate receiving contributions or making expenditures in the future;
- 2) Has eliminated or has declared that it has no intention or ability to discharge all of its debts, loans received and other obligations;
- 3) Has no surplus funds; and
- 4) Has filed all required campaign statements disclosing all reportable transactions.

(Emphasis added.)

According to your facts, you have complied with all provisions of Regulation 18404, and thus you may terminate your status as a candidate and your committee.

The Commission's jurisdiction is limited to the provisions of the Political Reform Act. We have no authority to comment on how a local ordinance interacts with the Act. We suggest you contact

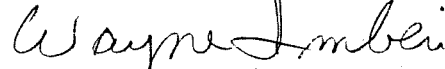
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the Office of the San Diego City Attorney for guidance regarding  
the San Diego Municipal code.

If you have additional questions, please contact me at (916)  
322-5660.

Sincerely,

Steven G. Churchwell  
General Counsel



By: Wayne P. Imberi  
Political Reform Consultant