

RAVI MEHTA
CHAIRMAN



FAIR POLITICAL PRACTICES COMMISSION

February 18, 1997

John Bovée
The Bovée Company
1127 11th Street, Suite 226
Sacramento, California 95814

**Re: Your Request for Advice
Our File No. A-97-043**

Dear Mr. Bovée:

This letter is a response to your request for advice regarding the provisions of the Political Reform Act (the "Act").¹

QUESTION

If an individual or political action committee makes a contribution in 1997 to retire a debt that was incurred by a legislator prior to 1997, does that contribution count against that individual's or that political action committee's aggregate contribution limits for the 1998 election cycle?

CONCLUSION

No, the contribution does not count against the individual's or the political action committee's aggregate contribution limits. Section 85305 provides that the contribution limits of Proposition 208 will not apply to retiring debts incurred with respect to any election held prior to January 1, 1997, provided that the contributions are collected pursuant to the contribution limits. The funds raised "shall not count against the contribution limitations applicable for any election following" January 1, 1997. (Section 85305(c).) On December 30, 1997, the Commission adopted an emergency regulation to further clarify the circumstances under which candidates may accept contributions to pay off debt incurred prior to January 1, 1997. Regulation 18530.7(b) states as follows:

"Campaign Debts Incurred Prior to January 1, 1997. A campaign

¹ Government Code sections 81000 - 91014. Commission regulations appear at title 2, sections 18109 - 18995, of the California Code of Regulations.

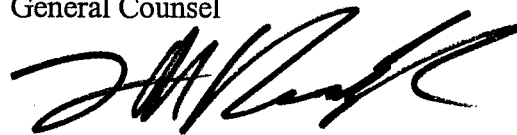
debt incurred by a candidate prior to January 1, 1997, is subject to the definitions and limitations of Title 9 in effect on or before December 31, 1996. Therefore, the provisions of the California Political Reform Act of 1996, including, but not limited to the twenty thousand dollar (\$20,000) or fifty thousand dollar (\$50,000) limit specified in Government Code Section 85307 on candidate loans to his or her campaign, the twenty-five thousand dollar (\$25,000) aggregate contribution limit specified in Government Code Section 85301, and the 25 percent limitation on contributions received from persons other than individuals, small contributor committees, and political party committees specified in Government Code Section 85309, are not applicable to campaign debts incurred prior to January 1, 1997." (Regulation 18530.7(b).)

Thus, in response to your question, contributions to retire a debt incurred by a legislator prior to 1997 do not count against that individual's or that political action committee's aggregate limit for the 1998 election cycle. Emergency regulations expire by operation of law 120 days after adoption. Regulation 18530.7 will expire on May 7, 1997. The Commission may adopt the regulation as a permanent regulation before the expiration date, may amend the regulation, or may allow the regulation to expire.

If you have any other questions regarding this matter, please contact me at (916) 322-5660.

Sincerely,

Steven G. Churchwell
General Counsel



By: Liane Randolph
Staff Counsel, Legal Division

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