

RAVI MEHTA
CHAIRMAN



FAIR POLITICAL PRACTICES COMMISSION

July 15, 1997

Tom Shortridge
Post Office Box 2006
Redondo Beach, California 90278

Re: Your Request for Advice
Our File No. A-97-312

Dear Mr. Shortridge:

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

QUESTIONS

1. May you, as an elected member of the Republican County Central Committee, establish an officeholder account?
2. May a county central committee of a qualified political party adopt voluntary expenditure limits?
3. Section 85203 requires that a small contributor committee have a membership of at least 100 individuals. May an organization give "membership" status to individuals who are not donors and count these individuals for purposes of the 100 member requirement?
4. When does the six-month period begin as prescribed by 85203?

CONCLUSIONS

1. Yes. A member of a county central committee of a qualified political party may establish an officeholder account.
2. Yes. A county central committee of a qualified political party may adopt voluntary expenditure limits.

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

3. Yes. An organization may give membership status to individuals who are not donors to the committee.

4. If a committee met the other requirements of Section 85203 six months ago, then it has been in existence for six months.

FACTS

You are currently a member of the Los Angeles County Republican Central Committee, elected by Republican voters in the 53rd Assembly District in March 1996. You plan to run for re-election in June 1998.

You are also the treasurer for the Redondo Beach Republican Club, currently reporting as a general purpose recipient committee. The Redondo Beach Republican Club, has been in existence for more than six months and has annual dues (contributions) from members of \$50 per person per year.

ANALYSIS

County Central Committees

Section 82020 defines "elected officer" as any person who holds an elective office but has not yet taken office. Section 82023 defines "elective office" to include "membership on a county central committee of a qualified political party." Therefore, a member of a county central committee of a qualified political party is an elected officer according to the Act.

Proposition 208 gave "elected officers" the option of establishing an officeholder account. (Section 85313.) Since a member of a county central committee of a qualified political party is an elected officer according to the Act, a member of a county central committee of a qualified political party may establish an officeholder account pursuant to Section 85313.

We have stated that a member of a county central committee of a qualified political party is a candidate under the Act. (*Huebscher* Advice Letter, A-97-182.) A candidate in a district with more than 100,000 residents may accept \$250 per individual in contributions per election. However, if the same candidate agrees to voluntary expenditure limits, the contribution limit doubles to \$500 per election. (Sections 85401 and 85402.) If there are no voluntary expenditure limits to agree to, the contribution limit will not be doubled. (*Montes* Advice Letter, A-97-051.)

Proposition 208 established voluntary expenditure limits for the legislative office, the Board of Equalization, and statewide offices. (Section 85400.) Proposition 208 also gives local jurisdictions the option of imposing voluntary expenditure limits. Specifically, Section 85400(c) provides:

“Any local jurisdiction, municipality, or county may establish voluntary expenditure ceilings for candidates and controlled committees of such candidates for elective office not to exceed one dollar (\$1) per resident for each election in the district in which the candidate is seeking elective office.”

Since county central committees regulate themselves, we interpret Section 85400(c) to allow a county central committee to establish voluntary expenditure ceilings. Further, we find that the district is the county for purposes of determining the maximum voluntary expenditure ceiling that may be set pursuant to Section 85400(c). Also, please see the *Montes* Advice Letter, A-97-051, and Regulation 18541 for the relevant reporting requirements (copies enclosed).

Small Contributor Committees

Section 85203 defines a small contributor committee as a committee that meets the following criteria:

- “(a) It has a membership of at least 100 individuals.
- (b) All the contributions it receives from any person in a calendar year total fifty dollars (\$50) or less.
- (c) It has been in existence at least six months.
- (d) It is not a candidate-controlled committee.”

You ask whether a small contributor committee may count an individual who is not a donor for purposes of reaching the 100 individual membership requirement of Section 85203(a). Section 85203, specifically, and the Act, generally, does not define who may be a member of a small contributor committee. The plain language interpretation of Section 85203 does not require that a member must be a donor. Therefore, we conclude that a non-donor may be a member of a small contributor committee.

Whether an organization can waive objective membership requirements to increase membership for purposes of Section 85203(a) in order to contribute to candidates in higher amounts is another question altogether. In order to prevent abuse of Section 85203 and Section 85302, an organization may not waive objective requirements in order to increase membership in an organization. In addition, all members of an organization must be bona fide members. Please be aware that Section 81004 requires that:

“All reports and statements filed under this title shall be signed under penalty of perjury and verified by the filer. The verification shall state that the filer has used all reasonable diligence in its preparation, and that to the best of his or her knowledge it is true and complete.”

You also ask when a small contributor committee comes into existence for purposes of

computing the six month requirement of Section 85203(c). If a committee met the other requirements of Section 85203 six months ago, then it has been in existence for six months. Therefore, six months ago it must have had membership of at least 100 individuals and it must not have accepted contributions over \$50.00 during that period.

Also, please be aware of Regulation 18502.1 reads as follows:

“Prior to making any contribution in excess of the limits specified in Government Code Sections 85301 and 85402, a small contributor committee shall amend its statement of organization to indicate:

- (a) That it is a small contributor committee;
- (b) The date on which it qualified as a small contributor committee, even if that date is prior to January 1, 1997.”

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

Sincerely,

Steven G. Churchwell
General Counsel



By: Marte Castaños
Staff Counsel, Legal Division

SGC:MC:jlw