



## FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329

(916) 322-5660 • Fax (916) 322-0886

March 5, 2007

Trent J. Benedetti, CPA  
2151 S. College Drive, Suite 101  
Santa Maria, CA 93455-1304

**RE: Your Request for Advice  
Our File No. A-07-021**

Dear Mr. Benedetti:

This letter is in response to your request for advice on behalf of Santa Barbara County Superior Court Judge James Rigali, regarding the campaign provisions of the Political Reform Act (the "Act").<sup>1</sup>

### QUESTION

May a campaign committee of Judge James Rigali with outstanding debts be terminated if a candidate plans to continue paying the debts with his own personal funds?

### CONCLUSION

The campaign committee may not be terminated if the candidate plans to raise additional funds, or pay the outstanding debt with personal funds.

### FACTS

You are the treasurer for the committee "James Rigali for Superior Court Judge." The candidate is an incumbent local judge and would like to close his campaign committee, but continue to pay these debts with his personal funds.

The candidate still owes approximately \$16,000 in debts. These debts consist of approximately \$5,000 owed to a campaign consultant and \$5,300 owed for advertising

---

<sup>1</sup> Government Code sections 81000-91014. Commission regulations appear at title 2, sections 18109-18997, of the California Code of Regulations.

and \$5,700 owed on credit cards used for campaign expenses. All these debts were accrued and properly shown on timely filed campaign statements.

The committee has no other source of money, nor is it anticipated to have any other source of money, other than the candidate's own money.

You wish to know whether the candidate may close his committee and continue to pay the debts with his own funds, or if the candidate must keep the campaign committee open and continue reporting contributions of his own money and the debt reduction.

### ANALYSIS

Section 84214 provides that “[c]ommittees and candidates shall terminate their filing obligation pursuant to regulations adopted by the Commission which insure that a committee or candidate will have no activity which must be disclosed pursuant to this chapter subsequent to the termination.”

Regulation 18404(b) further provides that a committee may terminate only if the 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.)

We have advised that a candidate may not terminate a committee, or must reopen a terminated committee, if he or she anticipates receiving contributions or making expenditures to repay outstanding campaign debts. (*Handley* Advice Letter, No. A-94-124; *McCaulley* Advice Letter, No. A-99-099.) The term “contribution” as defined in section 82015(c) includes the candidate's own money or property used on behalf of his or her candidacy.

You stated in your request that the candidate, Judge Rigali, still owes approximately \$16,000 in debts and that the candidate wishes to terminate the committee but continue paying the debts with his own funds.

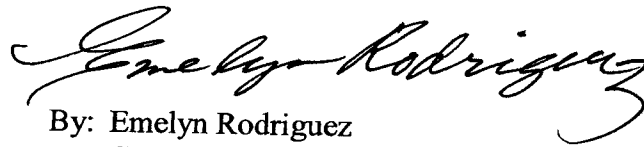
Since Judge Rigali appears to have the ability to discharge the committee's debts, and has stated he intends to repay the debts with his own personal funds, not all the

factors are met under regulation 18404(b). Therefore, the committee may not be terminated at this time.

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

Sincerely,

Luisa Menchaca  
General Counsel

A handwritten signature in cursive script that reads "Emelyn Rodriguez". The signature is written in black ink and is positioned above the typed name and title.

By: Emelyn Rodriguez  
Counsel, Legal Division

ER:jgl

I:\AdviceLtrs\07-021