

# *City of Westminster*

November 8, 2016  
General Municipal Election  
**Candidate Handbook and Resource Guide**

Presented by the City of Westminster  
City Clerk's Office

THE 2016 CANDIDATE'S HANDBOOK FOR THE GENERAL ELECTION IS INTENDED TO PROVIDE GENERAL INFORMATION FOR CANDIDATES AND COMMITTEES AND DOES NOT HAVE THE FORCE AND EFFECT OF LAW, REGULATION OR RULE. IT IS DISTRIBUTED WITH THE UNDERSTANDING THAT THE WESTMINSTER CITY CLERK'S OFFICE IS NOT RENDERING LEGAL ADVICE. THEREFORE, THE HANDBOOK IS NOT A SUBSTITUTE FOR LEGAL COUNSEL FOR THE INDIVIDUAL, ORGANIZATION OR CANDIDATE USING IT.

WE STRONGLY RECOMMEND THAT ANY PROSPECTIVE CANDIDATE OBTAIN LEGAL ADVICE TO ASSIST IN COMPLYING WITH APPLICABLE CALIFORNIA LAWS, INCLUDING THE CALIFORNIA ELECTIONS CODE AND CALIFORNIA GOVERNMENT CODE.

### 1. General Information

- Letter from City Clerk
- General Information and Frequently Asked Questions
- Literature Requirements, Mass Mailing Requirements, Penal Provisions
- Important Telephone Information
- General Website Information/Election Night Results
- Election Calendar
- County of Orange Registrar of Voters Services to Candidates
- City of Westminster Municipal Code Section 2.04.100 *Terms of Office*
- City of Westminster Municipal Code Section 17.330.025 *Temporary Signs*
- Elections Code Section 18370-18371 (Electioneering & Political Sign Information)
- Outdoor Advertising Act
- Letter from Southern California Edison Letter Regarding Placement of Election Materials on Utility Poles
- Statement of Responsibility for Temporary Political Signs

### 2. Candidate Instructions

- Nomination Paper Instructions
- Ballot Designations for Candidates
- Ballot Designations – California Code of Regulations, Secretary of the State
- City of Westminster Resolution 4783
- Candidate's Statement of Qualification
- Candidate's Statement of Qualification Formatting Guidelines
- Candidate's Statement of Qualification Word Count Standards
- Candidate's Statement Information Sheet

### 3. Appendix

- Candidate Information Sheet
- Receipt for Candidates Handbook
- Code of Fair Campaign Practices
- Nomination Papers
- Ballot Designation Worksheet
- City of Westminster Candidate Statement Payment Agreement
- Receipt for Payment Form
- Election to not provide a Candidate Statement Form
- Checklist of Items to be returned to the City Clerk
- Statement of Economic Interests Form 700 Reference Pamphlet
- Statement of Economic Interest (Form 700) Instruction Sheet
- Limitations and Restrictions on Gifts, Honoraria, Travel and Loans
- Campaign Disclosure Manual 2
- Candidate Intention Statement Form 501
- Statement of Organization Form 410
- Recipient Committee Campaign Statement Form 460
- Major Donor and Independent Expenditure Committee Campaign Statement Form 461
- Campaign Disclosure Filing Schedule

# Section 1 – General Information

November 8, 2016 \* General Municipal Election  
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# City of Westminster

Dear City of Westminster Elected Official Candidates,

Welcome to the City of Westminster, City Clerk's Office! Please know that we appreciate your interest in serving this great community and look forward to assisting all interested parties during the November 8, 2016 General Municipal Election. To assist you in this process, we are pleased to provide you with the November 8, 2016 Candidate Handbook and Resource Guide. While most of the information provided is regulated by state law, we have also included general information pertaining to the City of Westminster.

The City Clerk's Office seeks to provide courteous and professional services in a fiscally responsible manner. We are dedicated to accurately recording and archiving the actions of the City Council, Successor Agency to the Westminster Redevelopment Agency, Housing Authority and Westminster Public Financing Authority; providing information and support to the public, City Council, City staff and constituents in a timely manner; maintaining and updating the Westminster Municipal Code; administer contracts and the citywide records management program; as the local filing officer accept statement of economic interest and campaign statements; and administer the election process in accordance with federal, state, and local law as the local election official in consolidation with the County of Orange.

After reviewing the information provided, please feel free to contact the FPPC at 1-866-ASK-FPPC (1-866-275-3772) or myself should you have any questions. Thank you for your interest in serving the City of Westminster and best wishes for a successful campaign.

Sincerely,

Amanda Jensen, CMC

[ajensen@westminster-ca.gov](mailto:ajensen@westminster-ca.gov)

City Clerk's Office: (714) 548-3237

Direct Line: (714) 548-3174

# City of Westminster

## General Information and Frequently Asked Questions

**Election Schedule and Consolidation** – The City of Westminster conducts elections on the first Tuesday of November, of every even numbered year, in consolidation with the statewide general elections. On May 11, 2016 the Mayor and City Council approved a Resolution requesting the City of Westminster to consolidate with the County of Orange Registrar of Voters Office for the November 8, 2016 General Municipal Election.

**Notice of Election** – On May 11, 2016 the Mayor and City Council approved a Resolution calling for the election of a **Mayor** for a two-year (2) term and two (2) **Council Members** for a four-year (4) term each.

**Candidate Eligibility** – Candidates must be residents and registered voters of the City of Westminster at the time nomination papers are issued. Confirmation of candidate registration status is completed in conjunction with the Registrar of Voters office.

**Elected Official Compensation** – Pursuant to Section 2.040.080 of the Westminster Municipal Code, elected official compensation is currently in the amount of \$955.50 per month for the office of Mayor and \$850.50 per month for Council Members.

**Term Limits/Campaign Contributions** – Currently, the City of Westminster does not impose term limits and candidates follow state law regarding the campaign contribution requirements.

**City Council Meetings** – Pursuant to Section 2.04.010 of the Westminster Municipal Code, there are two regular meetings of the City Council held on the second and fourth Wednesday of each month at 7 p.m. City Council meetings are televised live on local access channels and streamed live (and archived) on the City's website.

**City Hall Hours of Operation** – Currently, City Hall is open Monday through Thursday from 7:30 am to 5:30 pm and every other Friday from 7:30 am to 4:30 pm. A calendar is available on the City's website at <http://www.westminster-ca.gov/cals>.

**Westminster City Council** – The current City Council is comprised of the following members: Mayor Tri Ta (two-year term expiring in 2016); Mayor Pro Tem Sergio Contreras (four-year term expiring in 2016); Council Member Diana Lee Carey (four-year term expiring in 2016); Council Member Tyler Diep (four-year term expiring in 2018); and Council Member Margie L. Rice (four-year term expiring in 2018).

## LITERATURE REQUIREMENTS

### § 16, Elections Code

A copy of Section 84305 of the Government Code shall be provided by the elections official to each candidate or his or her agent at the time of filing the declaration of candidacy and to the proponents of a local initiative or referendum at the time of filing the petitions.

## MASS MAILING REQUIREMENTS

### § 84305, Government Code

(a) Except as provided in subdivision (b), no candidate or committee shall send a mass mailing unless the name, street address, and city of the candidate or committee are shown on the outside of each piece of mail in the mass mailing and on at least one of the inserts included within each piece of mail of the mailing in no less than 6-point type which shall be in a color or print which contrasts with the background so as to be easily legible.

A post office box may be stated in lieu of a street address if the organization's address is a matter of public record with the Secretary of State.

(b) If the sender of the mass mailing is a single candidate or committee, the name, street address, and city of the candidate or committee need only be shown on the outside of each piece of mail.

(c) If the sender of a mass mailing is a controlled committee, the name of the person controlling the committee shall be included in addition to the information required by subdivision (a).

## PENAL PROVISIONS – ELECTION CAMPAIGNS

### § 18303, Election Code

Every person who violates Section 84305 of the Government Code relating to mass mailing is subject to the penal provisions set forth in Chapter 11 (commencing with Section 91000) of Title 9 of the Government Code.

### § 91000, Government Code

(a) Any person who knowingly or willfully violates any provision of this title is guilty of a misdemeanor.

(b) In addition to other penalties provided by law, a fine of up to the greater of ten thousand dollars (\$10,000) or three times the amount the person failed to report properly or unlawfully contributed, expended, gave or received may be imposed upon conviction for each violation.

(c) Prosecution for violation of this title must be commenced within four years after the date on which the violation occurred.

### § 91001, Government Code

(a) The Attorney General is responsible for enforcing the criminal provisions of this title with respect to state agencies, lobbyists and state elections. The district attorney of any county in which a violation occurs has concurrent powers and responsibilities with the Attorney General.

(b) The civil prosecutor is primarily responsible for enforcement of the civil penalties and remedies of this title. The civil prosecutor is the commission with respect to the state or any state agency, except itself. The Attorney General is the civil prosecutor with respect to the commission. The district attorneys are the civil prosecutors with respect to any other agency. The civil prosecutor may bring any civil action under this title which could be brought by a voter or resident of the jurisdiction. Upon written authorization from a district attorney, the commission may bring any civil action under this title which could be brought by a voter or resident of the jurisdiction. Under such circumstances, Section 91007 shall not apply to the commission.

(c) Whether or not a violation is inadvertent, negligent or deliberate, and the presence or absence of good faith shall be considered in applying the remedies and sanctions of this title.

## DEFINITION OF MASS MAILING AND SENDER

### § 18435, California Code of Regulations

(a) A "mass mailing" has been made when over two hundred substantially similar pieces of mail have been sent within a calendar month.

(b) The sender, as used in Government Code Section 84305, is the candidate or committee who pays for the largest portion of expenditures attributable to the designing, printing, and posting of the mailing which are reportable under Government Code Sections 84200-84217.

(c) For purposes of this section to "pay for" a share of the cost of a mass mailing means to make, to promise to make, or to incur an obligation to make, any payment:

(1) To any person for the design, printing, postage, materials or other costs (including salaries, fees, or commissions) of the mailing; or

(2) As a fee or other consideration for an endorsement or, in the case of a ballot measure, support or opposition, in the mailing.

(d) The identification required by Section 84305 shall be preceded by the words "Paid for by." These words shall be presented in the same size and color as the identification required by Section 84305, and shall be immediately adjacent to and above or immediately adjacent to and in front of the required identification.

(e) The requirements of Section 84305 to identify the name of the candidate or committee sending a mass mailing apply to over 200 substantially similar messages distributed to the public through electronic mail by a candidate or committee within a calendar month.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 82041.5 and 84305, Government Code.

### § 18435.5, California Code of Regulations

(a) Section 84305.5 requires a slate mailer to identify the slate mailer organization or committee sending the slate mailer, and to designate by an asterisk (\*) each candidate and each ballot measure supported or opposed in a slate mailer for which payment of \$100 or more has been received by the organization or committee (either from the candidate, ballot measure committee, or from any other person "at the behest" of a candidate or ballot measure committee as defined in Regulation 18225.7).

(b) To ensure that it is easily legible, the Notice to Voters required by Section 84305.5 shall appear with a reasonable degree of color contrast between the background and the statement and must appear on a plain background, not superimposed over an illustration or a patterned background. Examples of a reasonable degree of color contrast that would meet the standard required by Section 84305.5 are when the disclaimer is printed in black text on a white background or a similar degree of color contrast between the background and the text of the disclaimer.

(c) Slate Mailers in Multiple Languages. The Notice to Voters in a slate mailer shall appear in English. In addition, if all or a significant portion of the slate mailer appears in a language other than English, the Notice to Voters must also appear in that language.

(d) In addition to applying to slate mailers sent by traditional mail, the slate mailer identification and disclaimer requirements of Section 84305.5 apply to slate mailers distributed electronically.

Note: Authority cited: Section 83112, Government Code. Reference: Section 84305.5, Government Code.

## IMPORTANT TELEPHONE NUMBERS/WEBSITES

### ORANGE COUNTY REGISTRAR OF VOTERS

GENERAL INFORMATION	(714) 567-7600
TDD (Hearing Impaired)	(714) 567-7608
FAX	(714) 567-7556
WEBSITE	<a href="http://www.ocvote.com">www.ocvote.com</a>
VOTE-BY-MAIL/ABSENTEE BALLOT INFORMATION	(714) 567-7600
(Military/Overseas Voters)	(714) 567-7560
CANDIDATE FILING AND CAMPAIGN DISCLOSURE DIVISION	(714) 567-7558
(Financial Disclosure Statements, Information)	
(Filing Requirements for Office)	
LEGISLATIVE DISTRICTS/ELECTED OFFICIALS	(714) 567-7586
(Maps, Precinct Information)	
(Voter List, Street Index, Information on CD)	(714) 567-7615
CANDIDATE FILING DIVISION	(714) 567-7600
(Filing Requirements for Office)	
VOTER REGISTRATION DIVISION	(714) 567-7600
(Voter Registration Forms, Information)	

### OFFICE OF THE SECRETARY OF STATE

ELECTIONS DIVISION	(916) 657-2166
FAX	(916) 653-3214
(General Information, Filing for State/Federal Offices)	
WEBSITE	<a href="http://www.sos.ca.gov">www.sos.ca.gov</a>
POLITICAL REFORM DIVISION	(916) 653-6224
(Committee ID Number, Termination)	

### FAIR POLITICAL PRACTICES COMMISSION

TECHNICAL ASSISTANCE DIVISION (Mon.–Thurs., 9-11:30 a.m.)	(916) 322-5660
(Campaign Disclosure, State Contribution Limits, Conflict of Interest Disclosure)	(866) 275-3772
FAX	(916) 322-0886
WEBSITE	<a href="http://www.fppc.ca.gov">www.fppc.ca.gov</a>
ENFORCEMENT DIVISION	(866) 275-3772
(File Complaint under Political Reform Act)	

### STATE FRANCHISE TAX BOARD

AUTOMATED INFORMATION	(800) 852-5711
(Committee Tax Status, Tax Deductible Contributions Charitable Non-Profit Groups, General Information)	(800) 338-0505
WEBSITE	<a href="http://www.ftb.ca.gov">www.ftb.ca.gov</a>
–TDD (Hearing Impaired)	(800) 822-6268

### FEDERAL ELECTION COMMISSION

(Federal Campaign Disclosure, Contributions from National Banks, National Corporations, Foreign Nationals)	(800) 424-9530
WEBSITE	<a href="http://www.fec.gov/">www.fec.gov/</a>
TDD (Hearing Impaired)	(202) 219-3336

## GENERAL WEBSITE INFORMATION

Registered voters may call the Registrar of Voters office at (714) 567-7600 or access election general information, including polling locations, on the County's web site: <http://www.ocvote.com>.

Links to the County's web site:

Election information in English: <http://www.ocvote.com>

Election information in Spanish: <http://www.ocvote.com/es>

Election information in Vietnamese: <http://www.ocvote.com/vn>

Election information in Chinese: <http://www.ocvote.com/cn>

Election information in Korean: <http://www.ocvote.com/ko>

## ELECTION NIGHT RESULTS

Orange County uses a central location for tallying votes. All ballots are tabulated in the Registrar of Voters Tally Center located at 1300 S. Grand Avenue, Bldg. C, Santa Ana.

The vote counting procedure is open to public viewing. Unofficial results are available throughout the evening of the election in the Registrar of Voters office beginning at approximately 8:05 p.m. and continuing until all precinct ballots have been tallied. Results may also be obtained by calling the Registrar of Voters Office at (714) 567-7600 or visiting [www.ocvote.com](http://www.ocvote.com).

# **Election Calendar**

## **General Municipal Election**

### **Tuesday, November 8, 2016**

- July 18, 2016** First day to receive and file nomination papers. Nomination papers are to contain not less than 20 nor more than 30 valid signatures. A valid signature is a signature of a registered voter within the City of Westminster city limits.
- August 1, 2016** Last day to file Semi-Annual Campaign Expenditure Statements.
- August 12, 2016** Last day to file Nomination Paper, Ballot Designation Worksheet, Form 700 and optional Candidate Statement, unless there is an extension
- August 13-22, 2016** Public Review period for Candidate Statements and Ballot Designations
- August 17, 2016** Extended filing deadline. Candidate filing is only extended if an incumbent **ELIGIBLE FOR REELECTION** does not file nomination documents prior to 5:00 p.m. on August 12, 2016. **Incumbents are not eligible to file during the extended period.**
- August 18, 2016** Secretary of State determines order of names on the ballot. Available at the Secretary of State website at [www.sos.ca.gov](http://www.sos.ca.gov) and on the Registrar of Voters website at [www.ocvote.com](http://www.ocvote.com).
- September 29, 2016** Last day to file **First Pre-Election Campaign Expenditure Statement** (July 1, 2016 through September 24, 2016).
- October 27, 2016** Last day to file **Second Pre-Election Campaign Expenditure Statement** (September 25, 2016 through October 22, 2016).
- 24-Hour Reports** Late Contribution Statements required within 24 hours (August 10, 2016 through November 8, 2016).
- November 8, 2016** Election Day. Polls open 7:00 a.m. to 8:00 p.m.
- December 14, 2016** Potential date that successful candidates will be sworn into office.
- January 31, 2017** Last day to file Semi-Annual Campaign Expenditure Statements.

## **SERVICES TO CANDIDATES**

**(As provided by the Orange County Registrar of Voters)**

### **MAPS**

If you wish to purchase maps of the district in which you are a candidate, contact the Registrar of Voters at (714) 567-7586 or visit <http://www.ocvote.com/data/purchase-election-maps>.

### **VOTER REGISTRATION FORMS**

For candidates and committees wishing to conduct registration drives to register voters, registration forms are available at the Registrar of Voters' office upon availability. You will be asked to complete a Statement of Distribution at the time the forms are issued to you. You may also request forms by visiting <https://www.ocvote.com/registration/nvra-registration-order-form/>. For further information, please call (714) 567-7600.

### **REGISTERED VOTER FILE**

Candidates may purchase the registered voter file by visiting <http://www.ocvote.com/data/purchase-voter-data/>. Call (714) 567-7600 to order or for more information regarding voter information included in the file.

### **STREET INDEX ("Walking Lists")**

Indexes are available strictly for scholastic, journalistic, government and candidate use. These are printed lists are provided in text format on a CD-ROM and include the registered voters by precinct, listed by address with the street names and numbers.

Each candidate may purchase up to two copies/sets of indexes. Candidates may purchase a complete set that includes all precincts within the district in which the candidate is running, or a partial set that includes some of the precincts in the district. Indexes are 50 cents per thousand names or portion thereof. The cost of the product is payable in advance at the time the product is requested.

Indexes may be ordered in-person at the Registrar of Voters' office or by making a request at <http://www.ocvote.com/data/purchase-voter-data/>. If ordering online, a form available at the end of the process must be printed, signed, and mailed or hand-delivered to the Registrar of Voters' office before lists are released. For further information, please call (714) 567-7615.

### **ABSENTEE VOTER CD**

A CD containing absentee voters, ballots returned and requests for absentee voting is available 29 days prior to the election. Cost is \$103.77 per pick-up. Call (714) 567-7615.

### **VOTE-BY-MAIL BALLOT APPLICATIONS**

The Secretary of State shall prepare and distribute to appropriate elections officials a uniform application format for a vote-by-mail voter's ballot which conforms to the requirements of section 3006. All individuals, organizations and groups who distribute applications for a vote-by-mail voter's ballot shall follow this format. **§ 3007**

If you choose to distribute applications for vote-by-mail ballots, you will be asked to complete a Statement of Distribution before receiving a camera-ready copy of the application. You will be given a list of the application requirements and the Elections Code sections covering penal provisions. Requests for distributable vote-by-mail ballot applications may be made at <https://www.ocvote.com/voting/vote-by-mail-voting/distributable-vote-by-mail-ballot-application/>.

**Westminster Municipal Code****Up      Previous      Next      Main      Search      Print      No Frames**Title 2 ADMINISTRATION AND PERSONNELChapter 2.04 CITY COUNCIL**2.04.100 Terms of office for city councilmembers and mayor.**

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Pursuant to Section 36503.5, or any successor provision, of the California Government Code, the general municipal election for all elected city officers shall be consolidated with the statewide general election on the first Tuesday after the first Monday of November in each even-numbered year. There shall be an elected mayor, who shall serve a two-year term. There shall be four elected councilmembers, who shall each serve a four-year term. (Ord. 2362 § 4, 2003)

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**Westminster Municipal Code**

**Up**      **Previous**      **Next**      **Main**      **Search**      **Print**      **No Frames**

Title 17 LAND USE

Article 3 Site Planning and General Development Standards

Chapter 17.330 Signs

**17.330.025 Temporary Signs**

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**A. Permitted Types.** Permitted temporary signs on private property include:

- Banners
- Pennants
- Flags
- "Future Development" signs
- Tract directional signs
- Commercial "for rent" or "for lease" signs
- Political signs

Please refer to Article 7 for definitions of temporary signs.

**B. General Requirements.** Temporary signs on private property shall be allowed only upon issuance of a temporary sign permit, which shall be subject to the following requirements:

1. **Term and general standards.** A temporary sign permit shall allow the use of a temporary sign in accordance with the following terms and standards:
  - a. **Banners, pennants, and flags.** Not to exceed 90 days during any calendar year. A temporary sign permit shall expire on December 31 of the year in which it is issued. There shall be no carry-over of unused term allotment into the succeeding year. Only one 90-day temporary sign-use period within any calendar year shall be allowed for each business premises and the 90-day period may be divided into no more than 3 display periods within any calendar year. However, if a new business license holder occupies premises that have been vacant for a period of at least 15 days during a calendar year, the new license holder shall be entitled to the use of a temporary sign for up to 90 days. A single temporary banner, pennant, or flag permit may be issued and a single fee paid for multiple display periods not to exceed a total of 90 days during the calendar year, if the dates of the display periods and the message to be displayed during each period are known and are shown on the permit. If the dates of the additional display periods and the message to be displayed are not shown on the permit, then additional permits and fees will be required for any subsequent display periods. Refer to Table 3-11 and Section 17.330.085.B.7 for banner provisions.
  - b. **Future development.** Not to exceed 180 days during the first permit period, and not to exceed 90 days for any subsequent periods, provided that a finding can be made that there is diligent progress on the development. No temporary sign permit for future development shall be issued until all preliminary development approvals have been received, except that grading or construction permits need not be issued. Future development signs shall be removed upon issuance of a certificate of occupancy for the development, notwithstanding any time remaining on the permit. Renewal fees for a future development sign shall be one-half the original issuance fee. A future development sign shall not exceed an area of 40 square feet per sign face and an overall height of 10 feet. Such sign may be constructed of wood or metal or both. Not more than one such sign per 500 feet of street frontage shall be permitted, set back at least 10 feet from the ultimate street right-of-way line. Such sign shall be nonilluminated. A V-shaped sign may be considered one sign, provided that the distance between the legs of the V as viewed from above the sign looking down does not exceed 4 feet and the property has a minimum frontage of 500 feet. Otherwise, a V-shaped sign shall be considered two signs.
  - c. **Tract directional.** Not to exceed 180 days during the first permit period, and not to exceed 90 days for any subsequent renewal periods, except that if the cumulative display periods exceed one year, any further sign permit extensions shall be granted by the Commission, subject to conditions of approval.

Such sign shall be located on a lot other than the property where the residential subdivision is located, provided that the owner of such lot has given written permission for such display. A tract directional sign advertising a tract not located in the City is prohibited. A tract directional sign shall not be a future development sign. Renewal fees for a tract directional sign shall be one-half the original issuance fee. The development standards for a tract directional sign shall be the same as for a future development sign. A tract directional sign shall be located on an arterial street.

d. *Commercial "for rent" or "for lease" sign.* Not to exceed one year during the first permit period, and not to exceed 180 days for any subsequent renewal period, for a cumulative total of two years or upon the rental or lease of 90 percent of the space available in the development, whichever occurs first. Any extensions beyond two years shall be approved by the Commission. The development standards for a commercial "for rent" or "for lease" sign shall be the same as for a future development sign.

e. *Political signs.* All political signs shall be removed within 30 days after the election without leaving debris. Political signs shall only be located on private property with the permission of the property owner. All such signs shall maintain a setback of at least five feet from any public right-of-way. Political signs shall comply with all requirements of this Chapter applicable to temporary signs except that they shall not be required to obtain a permit from the City. A political sign with dimensions greater than three feet by three feet constructed of paper, vinyl, cloth, or plastic may be mounted to a light-weight framework of wood or metal to provide rigidity or support. A free-standing political sign with dimensions of three feet by three feet or larger, and mounted upon, attached to, or painted on a solid wood, plastic, metal or plaster sheet or backing may be erected in the City, provided that the sign has the proper depth of footings and is properly braced per the Uniform Building Code according to the design characteristics of such sign. A political sign shall not exceed 40 square feet in area.

2. *Other conditions.* Temporary signs shall be subject to the requirements outlined in Tables 3-8 and 3-11, except that political signs shall not be subject to the requirements outlined in Table 3-11.

(Ord. 2456 § 2, 2010)

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# ELECTIONS CODE

## SECTION 18370-18371

18370. No person, on election day, or at any time that a voter may be casting a ballot, shall, within 100 feet of a polling place, a satellite location under Section 3018, or an elections official's office:

(a) Circulate an initiative, referendum, recall, or nomination petition or any other petition.

(b) Solicit a vote or speak to a voter on the subject of marking his or her ballot.

(c) Place a sign relating to voters' qualifications or speak to a voter on the subject of his or her qualifications except as provided in Section 14240.

(d) Do any electioneering as defined by Section 319.5.

As used in this section, "100 feet of a polling place, a satellite location under Section 3018, or an elections official's office" means a distance 100 feet from the room or rooms in which voters are signing the roster and casting ballots.

Any person who violates any of the provisions of this section is guilty of a misdemeanor.

18371. (a) No candidate or representative of a candidate, and no proponent, opponent, or representative of a proponent or opponent, of an initiative, referendum, or recall measure, or of a charter amendment, shall solicit the vote of a vote by mail voter, or do any electioneering, while in the residence or in the immediate presence of the voter, and during the time he or she knows the vote by mail voter is voting.

(b) Any person who knowingly violates this section is guilty of a misdemeanor.

(c) This section shall not be construed to conflict with any provision of the federal Voting Rights Act of 1965, as amended, nor to preclude electioneering by mail or telephone or in public places, except as prohibited by Section 18370, or by any other provision of law.

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(b) A manufacturer or distributor of a product for sale to the general public does not engage in the business of outdoor advertising when furnishing a sign pertaining to the product to a retailer of that product for installation on the retailer's place of business or when installing on the retailer's place of business a sign containing advertising pertaining to the product, the name or the business of the retailer.

**§ 5301. Fee; duration and renewal of license; necessity of license**

No person shall engage in or carry on the business or occupation of outdoor advertising without first having paid the license fee provided by this chapter. The fee is payable annually in advance on the first day of July of each year to the director or his authorized agent. Each license shall remain in force for the term of one year from and after the first day of July, and may be renewed annually.

A license shall be obtained whether or not the advertising display requires a permit.

**§ 5302. Expiration of license; apportionment of fee**

All licenses issued on or after the first day of July shall expire on the 30th day of June following the date of issue. Fees for original licenses issued after the first day of July of each year shall be apportioned and collected on the basis of one-twelfth of the fee for each month or part thereof remaining in the fiscal year.

**§ 5303. Application; effect of license**

Every application for a license shall be made on a form to be furnished by the director. It shall state the full name of the applicant and the post office address of his fixed place of business and shall contain a certification that the applicant has obtained a copy of the provisions of this chapter and any regulations adopted thereunder and is aware of their contents.

The issuance of a license entitles the holder to engage in or carry on the outdoor advertising business and to apply for permits during the term of the license.

**Article 5 CERTIFICATES OF ZONING COMPLIANCE [REPEALED]**

**Article 6 PERMITS**

**§ 5350. Necessity of permit**

No person shall place any advertising display within the areas affected by the provisions of this chapter in this state without first having secured a written permit from the director or from his authorized agent.

**§ 5351. Application for permit**

Every person desiring a permit to place any advertising display shall file an application with the director or with his authorized agent.

**§ 5353. Form and contents of application**

The application shall be filed on a blank to be furnished by the director or by his agent. It shall set forth the name and address of the applicant and shall contain a general description of the property upon which it is proposed to place the



March 17, 2016

Vicki Morgan  
Code Enforcement Manager  
City of Westminster  
8200 Westminster Blvd.  
Westminster, CA 92683

Re: Campaign Signs on Utility Poles

Dear Ms. Morgan:

With election season on the horizon, Southern California Edison (SCE) is once again reminding candidates that it is unlawful to post election materials on utility poles.

This practice violates California Penal Code 556.1 and 591, which prohibits posting political placards and leaflets, or any other information or advertisements regarding community events, garage sales, or lost animals. Listed as a misdemeanor, the Penal Code states that the offense is punishable by a fine of \$500 and a maximum five-year imprisonment.

The law protects SCE linemen and their crews who use the poles in their work. Nails or other fasteners used to hold signs create a hazard for these employees.

We certainly appreciate your cooperation in advising political candidates and campaign workers to refrain from placing signs and placards on utility poles.

Sincerely,

*Jenelle Bader*

Jenelle Bader  
Government Affairs Representative  
Local Public Affairs

**DEPARTMENT OF TRANSPORTATION**  
DIVISION OF TRAFFIC OPERATIONS  
OUTDOOR ADVERTISING PROGRAM



Dear Candidate or Committee Member:

As a candidate or campaign worker for either office or a ballot measure, this reminder about State law governing campaign signs should be helpful to you.

Section 5405.3 of the State Outdoor Advertising Act exempts the placing of Temporary Political Signs from normal outdoor advertising display requirements.

A Temporary Political Sign meets the following criteria:

- A. Encourages a particular vote in a scheduled election.
- B. Is placed no sooner than 90 days prior to the scheduled election and is removed within 10 days after that election.
- C. Is no larger than 32 square feet.
- D. Has had a Statement of Responsibility filed with the Department certifying a person who will be responsible for removing the sign (Attached).

A completed Statement of Responsibility must be submitted to:

Division of Traffic Operations  
Outdoor Advertising Program  
P.O. Box 942874, MS-36  
Sacramento, CA 94274-0001

Temporary Political Signs shall not be placed within the right-of-way of any highway, or be visible within 660 feet from the edge of the right-of-way of a classified "Landscaped freeway".

State law directs the Department of Transportation to remove unauthorized Temporary Political Signs and bill the responsible party for their removal. We are calling these provisions to your attention to avoid possible embarrassment or inconvenience to you and your supporters. Please share this information with those assisting in your campaign.

Should you have any questions, comments or need additional information, please call (916) 654-6473.

Enclosure

**DEPARTMENT OF TRANSPORTATION**  
DIVISION OF TRAFFIC OPERATIONS  
OUTDOOR ADVERTISING PROGRAM



**STATEMENT OF RESPONSIBILITY FOR TEMPORARY  
POLITICAL SIGNS**

Election Date: \_\_\_\_\_ June \_\_\_\_\_ November Other: \_\_\_\_\_

Candidate's Name: \_\_\_\_\_

Office sought or Proposition Number: \_\_\_\_\_

County where sign(s) will be placed: \_\_\_\_\_

Number of signs to be placed: \_\_\_\_\_

RESPONSIBLE PARTY:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number (Include Area Code) \_\_\_\_\_

The undersigned hereby accepts responsibility for the removal of Temporary Political Signs placed pursuant to Section 5405.3 of the Outdoor Advertising Act for the above candidate or proposition.

It is understood and agreed that any Temporary Political Signs placed sooner than ninety (90) days prior to the election and/or not removed within ten (10) days after the election, may be removed by the Department and the responsible party will be billed for any associated removal costs.

\_\_\_\_\_  
SIGNATURE OF RESPONSIBLE PARTY

\_\_\_\_\_  
DATE

**Mail Statement of Responsibility to:**

Division of Traffic Operations  
Outdoor Advertising Program  
P.O. Box 942874, MS-36  
Sacramento, CA 94274-0001

## Section 2 – Candidate Instructions

November 8, 2016\* General Municipal Election  
**Candidate Handbook and Resource Guide**  
Presented by the City of Westminster  
City Clerk's Office

## NOMINATION PAPER INSTRUCTIONS

At the time you take out your nomination papers, the City Clerk will verify that you are a registered voter in the City of Westminster. After positive verification, your name will be typed onto the nomination paper; the paper will be signed by the City Clerk, or designee, and issued to you for circulation. Listed below are key instructions to remember.

### Circulating Your Nomination Paper:

- ◆ Nomination papers require a "Declaration of Circulator" affidavit of the person who circulated it to the effect that he or she saw written all the signatures appended thereto, and knows that they are the signatures of the persons whose names they purport to be. Only one person may circulate the document. You may circulate your own nomination paper.
- ◆ The "Declaration of Circulator" on the back of the nomination paper must contain the dates between which the paper was circulated, and the circulator's signature.
- ◆ The nomination paper must be signed by not less than 20, nor more than 30 registered voters of the City of Westminster. It is strongly recommended that you obtain 30 signatures in order to provide for those that may be invalidated due to their registration status.
- ◆ Make sure that the voters signing your paper sign and print their complete names, as well as their residence address in the city.
- ◆ Pursuant to Elections Code Section 10220, "No voter may sign more than one nomination paper for the same office, **and in the event the voter does so, that voter's signature shall count only on the first nomination paper filed which contains the voter's signature. Each seat on the governing body is a separate office.**"
- ◆ You may sign your own nomination paper.
- ◆ It is recommended that you file your papers early in order to have the opportunity to be issued a supplemental nomination paper should you have less than 20 signatures that qualify.

### Completing the "Affidavit of Nominee and Oath or Affirmation of Allegiance":

- ◆ It is suggested that this section of the nomination paper be completed at the time of filing in the presence of the City Clerk. Since State law strictly prohibits certain words to be used as designations, it is suggested that you confer with the City Clerk before recording your designation on the form.
- ◆ Your ballot designation is restricted to no more than three words describing your principal profession, vocation, or occupation. (Please refer to the Elections Code Sections pertaining to ballot designation in this section of the Handbook.)
- ◆ While it is suggested that the "Affidavit" be completed in the presence of the City Clerk, it may also be completed in the presence of a Notary Public.
- ◆ Your "Oath or Affirmation of Allegiance" is required to be executed in the presence of the City Clerk or a Notary Public in order to assure the voters that in the event you are elected, you will accept the office and faithfully discharge the duties of Mayor or Member of the City Council.
- ◆ You may withdraw your nomination paper up to and including the last day for filing your papers.

## **Nomination Paper Instructions (Continued)**

### **Deadline for Nomination Papers:**

Your nomination paper may only be circulated between July 18, 2016 at 7:30 a.m. and August 12, 2016 at 5:00 p.m. The deadline to submit your nomination paper is August 12, 2016 at 5:00 p.m. In the event an incumbent fails to file for nomination, the deadline is extended to August 17, 2016 at 5:00 p.m. An incumbent may not file nomination papers during the extended period.

### **Order of Candidates on Ballot:**

On August 18, 2016, the Secretary of State will conduct a random alphabetical drawing which will determine the order in which the qualified candidates' names will appear on the ballot. The same order will be used in the sample ballot pamphlet for those candidates filing a Candidate's Statement to be printed in the pamphlet. Access to the random draw will be made available on the Secretary of State's website at [www.ss.ca.gov](http://www.ss.ca.gov) and on the Registrar of Voters website at [www.ocvote.com](http://www.ocvote.com).

**BALLOT DESIGNATIONS FOR CANDIDATES**  
**(§ 13107; see also Secretary of State Ballot Designation Regulations,**  
**Cal. Code Regs. Tit.2, § 20710, et seq. – entire page)**

With the exception of candidates for Justice of the State Supreme Court or Court of Appeal, immediately under the name of each candidate, and not separated from the name by any line, may appear at the option of the candidate only one of the following designations:

- (1) Words designating the elective city, county, district, state or federal office which the candidate holds at the time of filing the nomination documents to which he/she was elected by vote of the people, or to which he/she was appointed, in the case of a superior court judge. There is no word limit for the official title of the office. A candidate may choose to include the name of his/her elective office with another profession, vocation, or occupation, but that ballot designation is limited to no more than three words.
- (2) The word "incumbent" if the candidate is a candidate for the same office which he/she holds at the time of filing the nomination papers, and was elected to that office by a vote of the people, or, in the case of a Superior Court Judge, was appointed to that office. **The word "incumbent" must be used as a noun and must stand alone.**
- (3) The phrase "appointed incumbent" if the candidate holds an office other than a judicial office by virtue of appointment, and the candidate is a candidate for election to the same office, or, if the candidate is a candidate for election to the same office or to some other office, the word "appointed" and the title of the office. In either instance, the candidate may not use the unmodified word "incumbent" or any words designating the office unmodified by the word "appointed." **The words "appointed incumbent" must stand alone.** However, the phrase "appointed incumbent" shall not be required of a candidate who seeks reelection to an office which he/she holds and to which he/she was appointed, as a nominated candidate, in lieu of an election pursuant to Education Code sections 5326 and 5328 or Elections Code sections 7228, 7423, 7673, 10229, or 10515.
- (4) No more than three words designating either the current principal professions, vocations, or occupations of the candidate, or the principal professions, vocations, or occupations of the candidate during the calendar year immediately preceding the filing of nomination documents. **For purposes of this section, all California geographical names shall be considered to be one word and shall be limited to the names of cities, counties and states. The names of school and special districts and political subdivisions are not geographical names.** Punctuation shall be limited to the use of a comma. Hyphenated words that appear in any generally available standard reference dictionary, published in the United States at any time within the 10 calendar years immediately preceding the election for which the words are counted, shall be considered as one word. Each part of all other hyphenated words shall be counted as a separate word.

**“Principal”**, as that term is used in Elections Code §13107 (a)(3), means a substantial involvement of time and effort such that the activity is one of the primary, main or leading professional, vocational or occupational endeavors of the candidate. **The term “principal” precludes any activity which does not entail a significant involvement on the part of the candidate. Involvement which is only nominal, pro forma, or titular in character does not meet the requirements of the statute. The ballot designation must accurately state the candidate’s principal professions, vocations, or occupations and must be factually accurate and descriptive, and neither confusing nor misleading.**

**“Profession”** means a field of employment requiring special education or skill and requiring specific knowledge of a particular discipline. The labor and skill involved in a profession is predominantly mental or intellectual, rather than physical or manual. Recognized professions generally include, but are not limited to: law, medicine, education, engineering, accountancy, and journalism. Examples of an acceptable designation of a “profession”, as defined in Elections Code § 13107 (a)(3) include, but are not limited to: Attorney, physician, accountant, architect, and teacher.

**“Vocation”** means a trade, a religious calling, or the work upon which a person, in most but not all cases, relies for his/her livelihood and spends major portion of his/her time. As defined, vocations may include, but are not limited to: Religious ministry, child rearing, homemaking, elderly and dependent care, and engaging in trades such as carpentry, cabinetmaking, plumbing, and the like. Examples of an acceptable designation of a “vocation”, as defined in Elections Code § 13107 (a)(3) include, but are not limited to: Minister, priest, mother, father, homemaker, dependent care provider, carpenter, plumber, electrician, and cabinetmaker.

**“Occupation”** means the employment in which one regularly engages or follows as the means of making a livelihood. Examples of an acceptable designation of an “occupation” as defined in Elections Code § 13107 (a)(3) include, but are not limited to: Rancher, restaurateur, retail salesperson, manual laborer, construction worker, computer manufacturing executive, military pilot, secretary, and police officer.

If a candidate is licensed by the State of California to engage in a profession, vocation or occupation, the candidate is entitled to consider it one of his/her “principal” professions, vocations, or occupations if (a) the candidate has maintained his/her license current as of the date he/she filed his/her nomination documents by complying with all applicable requirements of the respective licensure, including the payment of all applicable license fees and (b) the status of the candidate’s license is active at the time he/she filed his/her nomination documents. A candidate who holds a professional, vocational, or occupational license issued by the State of California may not claim such profession, vocation or occupation as one of his/her “principal” professions, vocations, or occupations if (a) the candidate’s licensure status is “inactive” at the time the candidate files his/her nomination documents, or (b) the candidate’s license has been suspended or revoked by the agency issuing the license at the time the candidate files his/her nomination documents.

A candidate may engage in multiple principal professions, vocations or occupations. If a candidate proposes a ballot designation including multiple principal professions, vocations or occupations, the proposed ballot designation must comply with the following provisions: (1) The three-word limitation specified in Elections Code § 13107 (a)(3); (2) each such proposed profession, vocation or occupation shall be separately considered and must independently qualify as a “principal” profession, vocation, or occupation; and (3) when multiple professions,

vocations or occupations are proposed as a ballot designation, they shall be separated by a slash ("/").

(5) "**Community Volunteer**" means a person who engages in an activity or performs a service for or on behalf of, without profiting monetarily, one or more of the following: (1) A charitable, educational, or religious organization as defined by the U.S. Internal Revenue Code § 501(c)(3); (2) a governmental agency; or (3) an educational institution. The activity or service must constitute substantial involvement of the candidate's time and effort such that the activity or service is the sole, primary, main, or leading professional, vocational or occupational endeavor of the candidate. **The words "Community Volunteer" must stand alone.** If the volunteer work is considered an "avocation" (see below under "Unacceptable Ballot Designations), then "Community Volunteer" may not be used as the ballot designation.

(6) The use of the word "**retired**" is generally limited for use by individuals who have permanently given up their chosen principal profession, vocation or occupation. These factors will be taken into consideration: (a) Prior to retiring from his/her principal profession, vocation or occupation, the candidate worked in such profession, vocation or occupation for more than five years; (b) the candidate is collecting, or eligible to collect, retirement benefits or other type of vested pension; (c) the candidate has reached at least the age of 55 years; (d) the candidate voluntarily left his/her last professional, vocational, or occupational position; (e) if the candidate requests a ballot designation that he/she is a retired public official, he/she must have previously voluntarily retired from public office, not have been involuntarily removed from office, not have been recalled by voters, and not have surrendered the office to seek another office or failed to win reelection to the office; (f) the candidate has not had another more recent, principal profession, vocation, or occupation; (g) the candidate's retirement benefits are providing him/her with a principal source of income; and (h) the candidate possesses another more recent, intervening principal profession, vocation, or occupation.

### **UNACCEPTABLE BALLOT DESIGNATIONS:**

(1) The following types of activities are distinguished from professions, vocations, and occupations and are **not** acceptable as ballot designations pursuant to Elections Code § 13107 (a)(3):

(a) **Avocations:** An avocation is a casual or occasional activity, diversion or hobby pursued principally for enjoyment and is in addition to the candidate's principal profession, vocation or occupation. Avocations may include, but are not limited to: Hobbies, social activities, volunteer work, and matters pursued as an amateur. Example: (a) If a person is a PTA President (not a paid position), and does not have a principal profession, vocation, or occupation, then that person could use "Community Volunteer" as his/her ballot designation but could not use "PTA President". "PTA President" is considered a "status (see #1c: Statuses); (b) If the person is a PTA President (not a paid position), and also has a principle profession, vocation, or occupation, he/she must use his/her principle profession, vocation, or occupation as his/her ballot designation; (c) If the person is a PTA President (not paid position) and also has a principle profession, vocation, or occupation, he/she **could not** use both the principle profession, vocation, or occupation and "Community Volunteer" (even if the designation meets the three-word requirement) because "Community Volunteer" must stand alone.

(b) **Pro Forma Professions, Vocations, and Occupations:** Pro forma professions, vocations or occupations are positions held by the candidate which consume little or

none of the candidate's time and which, by their nature, are voluntary or for which the candidate is not compensated. Pro forma professions, vocations and occupations may include, but are not limited to: Honorary peace officer, honorary chairperson, honorary professor, goodwill ambassador, official host or hostess, and the like.

- (c) **Statuses:** A status is a state, condition, social position or legal relation of the candidate to another person, persons or the community as a whole. A status is generic in nature and generally fails to identify with any particular specificity the manner by which the candidate earns his or her livelihood or spends the substantial majority of his or her time. Examples of a status include, but are not limited to: Veteran, proponent, reformer, scholar, founder, philosopher, philanthropist, mother of eleven, activist, patriot, taxpayer, concerned citizen, Kiwanis Club President, PTA President, husband, and wife.
- (2) A ballot designation which abbreviates the word "retired" or places it following any word or words which it modifies. Examples of impermissible designations include, but are not limited to: Ret. Army General; Major USAF, Retired; and City Attorney, Retired.
- (3) No title or degree shall appear on the same line on a ballot as a candidate's name, either before or after the candidate's name per Elections Code section 13106. Examples include, but are not limited to: Ph.D., M.A., B.A., B.S., and M.D.
- (4) A ballot designation may not comprise or include commercial identification information, such as a trademark, service mark, trade name, or the specific name of a business, partnership, corporation, company, foundation, or organization. Examples of an improper use of commercial identification information include, but are not limited to: Acme Company President, Universal Widget Inventor, Director, Smith Foundation, UCLA Professor, and the like.
- (5) Pursuant to Elections Code § 13107 (a)(2), a ballot designation which would suggest an evaluation of the candidate's qualifications, honesty, integrity, leadership abilities or character. Any laudatory or derogatory adjectives which would suggest an evaluation of the candidate's qualifications shall not be permitted. Such impermissible adjectives include, but are not limited to: Senior, emeritus, specialist, magnate, outstanding, leading, expert, virtuous, eminent, best, exalted, prominent, famous, respected, honored, honest, dishonest, corrupt, lazy, advocate, and the like.
- (6) A ballot designation which uses a word or prefix to indicate a prior profession, vocation, occupation or elected, appointed, or judicial office previously held by the candidate. These include, but are not limited to: Ex-, former, past, and erstwhile. Examples of impermissible designations include: Former Congressman, Ex-Senator, and Former Educator.
- (7) A ballot designation indicating that a candidate is a member of the state or county central committee of a political party, or an officer of a state or county central committee of a political party, are improper, as such positions do not constitute elective county or state offices as specified in § 13107(a)(1).
- (8) A ballot designation which uses the name of any political party, whether or not it has qualified for recognized ballot status.

(9) A ballot designation which uses a word or words referring to a racial, religious or ethnic group or implies any ethnic or racial slurs or ethnically or racially derogatory language.

(10) If the candidate is a member of the clergy, the candidate may not make reference to his/her specific denomination. However, the candidate may use his/her clerical title as a ballot designation (e.g. Rabbi, Pastor, Minister, Priest, Bishop, Deacon, Monk, Nun, Imam, etc. Neither the Secretary of State nor any other election official shall accept a designation of which any of the following would be true:

- (a) It would mislead the voter.
- (b) It would suggest an evaluation of a candidate, such as outstanding, leading, expert, virtuous, or eminent.
- (c) It abbreviates the word "retired" or places it following any word or words which it modifies.
- (d) It uses a word or prefix, such as "former" or "ex-," which means a prior status. The only exception is the use of word "retired."
- (e) It uses the name of any political party, whether or not it has qualified for the ballot.
- (f) It uses a word or words referring to a racial, religious, or ethnic group.
- (g) It refers to any activity prohibited by law.

**IMPORTANT:** Each candidate who submits a ballot designation shall file a **Ballot Designation Worksheet** that supports the use of that ballot designation by the candidate. The Ballot Designation Worksheet shall be filed with the Registrar of Voters at the same time that the candidate files his/her Declaration of Candidacy. The Ballot Designation Worksheet is public record and shall be available for inspection and copying. **§ 20711**

If a candidate requests a change to his or her ballot designation pursuant to Elections Code § 13107(e), that request shall be accompanied by a new Ballot Designation Worksheet. **§ 20711**

**IN THE EVENT THAT A CANDIDATE FAILS TO FILE A BALLOT DESIGNATION WORKSHEET, NO DESIGNATION SHALL APPEAR UNDER THE CANDIDATE'S NAME ON THE BALLOT.** **§13107.3**

If upon checking the nomination documents, the elections official finds the designation to be in violation of any of the restrictions set forth in this section, the elections official shall notify the candidate by registered or certified mail return receipt requested, addressed to the mailing address appearing on the candidate's nomination documents.

The candidate shall, within three days from the date of receipt of the notice, appear before the elections official or, in the case of the Secretary of State, notify the Secretary of State by telephone, and provide an alternate designation. **In the event the candidate fails to provide an alternate designation, no designation will appear after the candidate's name.**

No ballot designation given by a candidate shall be changed by the candidate after the final date for filing nomination documents, except as specifically requested by the elections official to change an unacceptable designation.

The designation shall remain the same for all purposes of both primary and general elections, unless the candidate, at least 98 days prior to the general election, requests in writing a different designation which the candidate is entitled to use at the time of the request. The written request must be accompanied by a ballot designation worksheet. § 13107(e)

In all cases, words so used shall be printed in 8-point roman uppercase and lowercase type except that, if the designation selected is so long that it would conflict with the space requirements of sections 13207 and 13211, the elections official shall use a type size for the designation for each candidate for that office sufficiently smaller to meet these requirements. Whenever a foreign language translation of a candidate's designation is required under the Voting Rights Act of 1965 (42 U.S.C. Sec. 1971), as amended, to appear on the ballot in addition to the English language version, it shall be as short as possible, as consistent as is practicable with this section, and shall employ abbreviations and initials wherever possible in order to avoid undue length

### **BALLOT ORDER OF CANDIDATES**

The Secretary of State shall conduct a drawing of the letters of the alphabet, the result of which shall be known as a randomized alphabet. The procedure shall be as follows: Each letter of the alphabet shall be written on a separate slip of paper, each of which will be folded and inserted into a capsule. Each capsule shall be opaque and of uniform weight, color, size, shape, and texture. The capsules shall be placed in a container, which shall be shaken vigorously in order to mix them thoroughly. The container then shall be opened and the capsules removed at random one at a time. As each is removed, it shall be opened and the letter on the slip of paper read aloud and written down. The resulting random order of letters constitutes the randomized alphabet, which is to be used in the same manner as the conventional alphabet in determining the order of all candidates in all elections. For example, if two candidates with the surnames Campbell and Carlson are running for the same office, their order on the ballot will depend on the order in which the letter M and R were drawn in the randomized alphabet drawing. The drawing shall be open to the public. A drawing will take place for each election date. **The date of the drawing for the General Election will be August 18, 2016, 11:00 a.m.** § 13112

The following contests use the State randomized alphabet in determining the ballot order of the candidates: State Senate, State Assembly, Municipal, School District, and Special District. Exception: If a State Senate or State Assembly District is located in more than one county, then the county randomized alphabet order is used in determining the ballot order of the candidates for that contest. For those contests, the Registrar of Voters' office will conduct a drawing of the letters of the alphabet for the General Election at the same time the Secretary of State's office is conducting its drawing – August 18, 2014, 11:00 a.m. § 13111(i)

The ballot order of candidates in some contests is rotated by Assembly District. These contests include Congressional, County offices encompassing the entire county, and Judicial. § 13111(i)

Alex Padilla  
California Secretary of State

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## Ballot Designations

### California Code of Regulations

#### Title 2. Administration

#### Division 7. Secretary of State

#### Chapter 7. Ballot Designations

20710. General Provisions.

20711 Ballot Designation Worksheet.

20712 Proposed Ballot Designations Submitted Pursuant to Elections Code Section 13107, Subdivision (a)(1).

20713 Proposed Ballot Designations Submitted Pursuant to Elections Code Section 13107, Subdivision (a)(2).

20714 Proposed Ballot Designations Submitted Pursuant to Elections Code Section 13107, Subdivision (a)(3).

20714.5 "Community Volunteer."

20715 Proposed Ballot Designations Submitted Pursuant to Elections Code Section 13107, Subdivision (a)(4).

20716 Unacceptable Ballot Designations.

20717 Requests for Supporting Documentation.

20718 Communication of Decisions Regarding Ballot Designations.

20719 Service of Legal Process Regarding Ballot Designations.

#### 20710. General Provisions.

- (a) The regulatory purpose of this Chapter is to ensure the accurate designation of the candidate upon the ballot in order that an informed electorate may intelligently elect one of the candidates.
- (b) The Secretary of State shall, at all times, apply and interpret the provisions of Elections Code Section 13107 and the regulations included in this Chapter in a manner consistent with the regulatory purpose of this Chapter.
- (c) Candidates are not required to use a ballot designation pursuant to Elections Code Section 13107, subdivision (a), and may opt to leave the space for such a designation on the ballot blank. In order to notify the elections official as to whether he or she will use a ballot designation or will opt to leave the ballot designation space blank, the candidate must initial the appropriate box on the Declaration of Candidacy or otherwise so indicate on the Declaration of Candidacy.
- (d) Pursuant to Elections Code s 13107, subdivision (a), a candidate may submit a proposed ballot designation pursuant to any one of the four provisions specified in Elections Code Section 13107, subdivision (a), subparts (1) through (4), applicable to that candidate. The candidate shall be free to select from which of the applicable four subparts he or she is submitting his or her proposed ballot designation.
- (e) The regulations set forth in this Chapter shall apply only to elections held for offices for which elections returns are certified by the Secretary of State of the State of California.
- (f) Whenever, the word "should" is used in this Chapter, it is recommended, not mandatory.

*Note: Authority cited: Section 12172.5, Government Code. Reference: Section 13107, Elections Code.*

#### HISTORY

1. New chapter 7 (sections 20710-20719) and section filed 1-14-98; operative 1-14-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 3).

## 20711. Ballot Designation Worksheet.

- (a) In order to facilitate review of a candidate's proposed ballot designation by the Secretary of State pursuant to Elections Code Section 13107, the candidate shall submit, at the time of filing his or her proposed ballot designation on the Declaration of Candidacy, a completed Ballot Designation Worksheet on a form provided by the Secretary of State.
- (b) All Ballot Designation Worksheets filed with the Office of the Secretary of State or the county elections officials pursuant to this section shall be public records and shall be available for inspection and copying at the public counter of the Elections Division of the Office of the Secretary of State, Fifth Floor, 1500 11th Street, Sacramento, California 95814, or at the office of the applicable county elections official.
- (c) The Secretary of State shall provide a master copy or copies of the Ballot Designation Worksheet to all elections officials responsible for providing and accepting the nomination documents for candidates in elections for offices certified by the Secretary of State. The Ballot Designation Worksheet shall request that the candidate proposing the ballot designation provide the following information:
- (1) The candidate's name, home, business and mailing addresses, telephone numbers, e-mail address, if available, and fax number;
  - (2) A designation of the office for which the candidate is seeking election;
  - (3) The name, home, business and mailing addresses, telephone numbers, e-mail address, if available, and fax number of the attorney representing the candidate or for any other person to be contacted in the event the Secretary of State requires further information regarding the proposed ballot designation;
  - (4) The proposed ballot designation submitted by the candidate;
  - (5) The candidate may submit one or more proposed alternate ballot designations ranked in order of the candidate's preference;
  - (6) A brief statement identifying the factual basis upon which the candidate claims the proposed ballot designation and each proposed alternate ballot designation, including the following:
    - (A) If the candidate holds elected office and is submitting his or her proposed ballot designation pursuant to Elections Code Section 13107, subdivisions (a)(1) or (a)(2), the candidate shall indicate the elective office he or she currently occupies and may attach a copy of his or her Certificate of Election;
    - (B) If the candidate is a judicial officer and is submitting his or her proposed ballot designation pursuant to Elections Code Section 13107, subdivisions (a)(1) or (a)(2), the candidate shall indicate the elective office he or she currently holds and may attach either (A) a copy of his or her Certificate of Election or (B) a copy of his or her commission or certificate of appointment, issued at the time the candidate was appointed to the judicial office which he or she currently occupies;
    - (C) If the candidate submits a ballot designation pursuant to Elections Code Section 13107, subdivision (a)(3), the candidate shall indicate:
      - (i) The title of the position or positions which he or she claims supports the proposed ballot designation;
      - (ii) The dates during which the candidate held such position;
      - (iii) A description of the work he or she performs in the position;
      - (iv) The name of the candidate's business or employer;
      - (v) The name and telephone number of a person or persons who could verify such information; and
      - (vi) A statement that the professions, vocations or occupations relied upon to support the proposed ballot designation constitute the primary, main or leading professions, vocations or occupations of the candidate, in accordance with the definition of the term "principal" as set forth at Section 20714, subdivision (b).
    - (D) If the candidate submits a ballot designation pursuant to Elections Code Section 13107, subdivision (a)(4), the candidate shall indicate the date on which he or she was appointed to the office for which he or she is an appointed incumbent.
- (d) The candidate may attach or append any supporting documents or other exhibits to his or her Ballot Designation Worksheet which he or she believes support his or her proposed ballot designation. Such attached documents or other exhibits shall be deemed to be incorporated by reference as part of the candidate's Ballot Designation Worksheet and shall be considered as such by the Secretary of State.

- (e) If a candidate requests a change of his or her ballot designation pursuant to Elections Code Section 13107(e), that request shall be accompanied by a Ballot Designation Worksheet.

*Note: Authority cited: Section 12172.5, Government Code. Reference: Sections 13107 and 13107.3, Elections Code.*

## HISTORY

1. New section filed 1-14-98; operative 1-14-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 3).
2. Amendment of subsections (a), (c)(5), (c)(6)(A)-(C) and (c)(6)(D), new subsection (e) and amendment of Note filed 12-21-2009; operative 12-21-2009 pursuant to Government Code section 11343.4 (Register 2009, No. 52).

## 20712. Proposed Ballot Designations Submitted Pursuant to Elections Code Section 13107, Subdivision (a)(1).

Proposed ballot designations submitted pursuant to Elections Code Section 13107, subdivision (a)(1), shall be subject to the following provisions:

- (a) In the case of candidates holding elective city, county, district, state, or federal office, the candidate's ballot designation shall be the elective office which the candidate holds at the time of filing the nomination documents.
- (b) In the case of judicial officers, the candidate's ballot designation shall be the elective office which the candidate holds at the time of filing the nomination documents.
- (c) There shall be no word count limitation applicable to ballot designations submitted pursuant to Elections Code Section 13107, subdivision (a)(1).
- (d) Proposed ballot designations indicating a position of legislative leadership or leadership in another elected body, such as "Majority Leader of the California Senate," "Minority Leader of the California State Assembly," "Speaker of the California State Assembly," "President Pro Tempore of the California State Senate," "City of Orange Mayor Pro Tem," and the like, are not elective offices described in Elections Code Section 13107, subdivision (a)(1). Such ballot designations are improper, pursuant to Elections Code Section 13107, subdivision (a)(1). They may, however, subject to the three-word limit, be considered under the provisions of Section 13107(a)(3). Examples of acceptable ballot designations under this section include, but are not limited to, "Assembly Minority Leader," "California Assembly Speaker," and "Mayor Pro Tem."
- (e) Proposed ballot designations indicating that the candidate is a member of the state or county central committee of a political party, or an officer of a state or county central committee of a political party, are improper, as such positions do not constitute elective county or state offices as specified in Elections Code Section 13107, subdivision (a)(1).

*Note: Authority cited: Section 12172.5, Government Code. Reference: Section 13107, Elections Code.*

## HISTORY

1. New section filed 1-14-98; operative 1-14-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 3).
2. Amendment of subsection (d) filed 12-21-2009; operative 12-21-2009 pursuant to Government Code section 11343.4 (Register 2009, No. 52).

## 20713. Proposed Ballot Designations Submitted Pursuant to Elections Code Section 13107, Subdivision (a)(2).

Proposed ballot designations submitted pursuant to Elections Code s 13107, subdivision (a)(2), shall be subject to the following provisions:

- (a) A proposed ballot designation submitted pursuant to Elections Code Section 13107, subdivision (a)(2), is limited "incumbent," as that term is defined in Elections Code s 13107, subdivision (a)(2).
- (b) The term "incumbent" must be used as a noun. It shall not be used in conjunction with any other words, including any accompanying adjectives or modifiers, and must stand alone. A candidate qualified to use this designation pursuant to Elections Code Section 13107, subdivision (a)(2), shall be entitled to use the ballot designation "Incumbent."
- (c) The word "incumbent" is strictly limited for use in ballot designations submitted pursuant to Elections Code Section 13107, subdivision (a)(2), and may not be used as an adjective in any other ballot designation.

*Note: Authority cited: Section 12172.5, Government Code. Reference: Section 13107, Elections Code.*

## HISTORY

1. New section filed 1-14-98; operative 1-14-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 3).

## 20714. Proposed Ballot Designations Submitted Pursuant to Elections Code Section 13107, Subdivision (a)(3).

Proposed ballot designations submitted pursuant to Elections Code Section 13107, subdivision (a)(3), shall be subject to the following provisions:

- (a) The terms "profession," "vocation," or "occupation," as those terms are used in Elections Code Section 13107, subdivision (a)(3), are defined as follows:
- (1) "Profession" means a field of employment requiring special education or skill and requiring knowledge of a particular discipline. The labor and skill involved in a profession is predominantly mental or intellectual, rather than physical or manual. Recognized professions generally include, but are not limited to, law, medicine, education, engineering, accountancy, and journalism. Examples of an acceptable designation of a "profession," as defined in Elections Code Section 13107, subdivision (a)(3), include, but are not limited to, "attorney," "physician," "accountant," "architect," and "teacher."
  - (2) "Vocation" means a trade, a religious calling, or the work upon which a person, in most but not all cases, relies for his or her livelihood and spends a major portion of his or her time. As defined, vocations may include, but are not limited to, religious ministry, child rearing, homemaking, elderly and dependent care, and engaging in trades such as carpentry, cabinetmaking, plumbing, and the like. Examples of an acceptable designation of a "vocation," as defined in Elections Code Section 13107, subdivision (a)(3), include, but are not limited to, "minister," "priest," "mother," "father," "homemaker," "dependent care provider," "carpenter," "plumber," "electrician," and "cabinetmaker."
  - (3) "Occupation" means the employment in which one regularly engages or follows as the means of making a livelihood. Examples of an acceptable designation of an "occupation," as defined in Elections Code Section 13107, subdivision (a)(3), include, but are not limited to, "rancher," "restaurateur," "retail salesperson," "manual laborer," "construction worker," "computer manufacturing executive," "military pilot," "secretary," and "police officer."
- (b) "Principal," as that term is used in Elections Code Section 13107, subdivision (a)(3), means a substantial involvement of time and effort such that the activity is one of the primary, main or leading professional, vocational or occupational endeavors of the candidate. The term "principal" precludes any activity which does not entail a significant involvement on the part of the candidate. Involvement which is only nominal, pro forma, or titular in character does not meet the requirements of the statute.
- (1) If a candidate is licensed by the State of California to engage in a profession, vocation or occupation, the candidate is entitled to consider it one of his or her "principal" professions, vocations or occupations if the candidate has maintained his or her license current as of the date he or she filed his or nomination documents by complying with all applicable requirements of the respective licensure, including the payment of all applicable license fees and the status of the candidate's license is active at the time he or she filed his or her nomination documents.
  - (2) A candidate who holds a professional, vocational or occupational license issued by the State of California may not claim such profession, vocation or occupation as one of his or her "principal" professions, vocations or occupations if the candidate's licensure status is "inactive" at the time the candidate files his or her nomination document, or the candidate's license has been suspended or revoked by the agency issuing the license at the time the candidate files his or her nomination documents.
- (c) In order for a ballot designation submitted pursuant to Elections Code Section 13107, subdivision (a)(3), to be deemed acceptable by the Secretary of State, it must accurately state the candidate's principal professions, vocations or occupations, as those terms are defined in subdivisions (a) and (b) herein. Each proposed principal profession, vocation or occupation submitted by the candidate must be factually accurate, descriptive of the candidate's principal profession, vocation or occupation, must be neither confusing nor misleading, and must be in full and complete compliance with Elections Code Section 13107 and the regulations in this Chapter.
- (d) If the candidate is engaged in a profession, vocation or occupation at the time he or she files his or her nomination documents, the candidate's proposed ballot designation is entitled to consist of the candidate's current principal professions, vocations and occupations. In the event the candidate does not have a current principal profession, vocation or occupation at the time he or she files his or her nomination documents, the candidate may use a ballot designation consisting of his or her principal professions, vocations or occupations, which the candidate was principally engaged in during the calendar year immediately preceding the filing of the candidate's nomination papers.
- (e) A candidate may engage in multiple principal professions, vocations or occupations. Accordingly, the candidate may designate multiple principal professions, vocations or occupations. If a candidate proposes a ballot designation including multiple principal professions, vocations or occupations, the proposed ballot designation must comply with the following provisions:

- (1) The proposed ballot designation must comply with the three-word limitation specified in Elections Code Section 13107, subdivision (a)(3), and as implemented pursuant to subdivision (f) herein.
  - (2) Each such proposed profession, vocation or occupation shall be separately considered by the Secretary of State and must independently qualify as a "principal" profession, vocation or occupation, as that term is defined pursuant to subdivision (b) herein.
  - (3) When multiple professions, vocations or occupations are proposed as a ballot designation, they shall be separated by a slash ("/"). An example of an acceptable designation would be "Legislator/Rancher/Physician."
- (f) Pursuant to Elections Code Section 13107, subdivision (a)(3), the candidate's ballot designation shall be limited to not more than three (3) words. The following rules shall govern the application of the three-word limitation:
- (1) The proposed ballot designation shall be grammatically correct, generic, and all words must be spelled correctly.
  - (2) Punctuation shall be limited to the use of a comma (e.g., District Attorney, Los Angeles County) and a slash (e.g., Legislator/Rancher/Physician), pursuant to subdivision (e) of this section. A hyphen may be used if, and only if, the use of a hyphen is called for in the spelling of a word as it appears in a standard reference dictionary of the English language, which was published in the United States at any time within the 10 calendar years immediately preceding the election for which the words are counted.
  - (3) All California geographical names shall be considered to be one word and shall be limited to the names of cities, counties and states. The names of special districts and political subdivisions are not "geographical names," as that term is used in Elections Code Section 13107, subdivision (a)(3). If the candidate desires, the geographical name may be used in the form of "City of . . .," "County of . . .," or "City and County of . . ." Examples of geographical names considered to be one word include Tehama County, Los Angeles County and County of Sacramento. Examples of designations containing a special district or political subdivision that are not geographical names include "Butte County Rural Fire District Captain," "Huntington Beach Unified School District President," and "South Bay Irrigation District Director."
  - (4) An acronym shall be counted as one word.
- (g) A candidate who chooses to include the name of his or her elective office with another profession, vocation, or occupation may do so pursuant to Elections Code section 13107(a)(3), but that ballot designation shall be limited to no more than three words. Examples of acceptable designations under this section include "State Senator/Rancher," "California Assemblywoman/Attorney," "County Supervisor/Teacher," and "State Controller/Businessman." Examples of unacceptable designations under this section include "Assemblyman, 57th District/Educator," "California State Senator/Architect," "Placer County Supervisor/Business Owner," and "Member, Board of Equalization/Banker."

*Note: Authority cited: Section 12172.5, Government Code. Reference: Sections 9 and 13107, Elections Code.*

#### HISTORY

1. New section filed 1-14-98; operative 1-14-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 3).
2. Amendment of subsections (a)(1), (c) and (f)(2)-(3), new subsection (g) and amendment of Note filed 12-21-2009; operative 12-21-2009 pursuant to Government Code section 11343.4 (Register 2009, No. 52).

### 20714.5. "Community Volunteer."

- (a) "Community Volunteer" means a person who engages in an activity or performs a service for or on behalf of, without profiting monetarily, one or more of the following:
- (1) A charitable, educational, or religious organization as defined by the United States Internal Revenue Code section 501(c)(3);
  - (2) A governmental agency; or
  - (3) An educational institution.
- (b) The activity or service must constitute substantial involvement of the candidate's time and effort such that the activity or service is the sole, primary, main or leading professional, vocational or occupational endeavor of the candidate within the meaning of subdivisions (a) and (b) of section 20714 of this Chapter.

*Note: Authority cited: Section 12172.5, Government Code; and Section 13107.5(b), Elections Code. Reference: Sections 13107 and 13107.5, Elections Code; and Section 501(c)(3), United State Internal Revenue Code.*

#### HISTORY

1. New section filed 12-21-2009; operative 12-21-2009 pursuant to Government Code section 11343.4 (Register 2009, No. 52).

## 20715. Proposed Ballot Designations Submitted Pursuant to Elections Code s 13107, Subdivision (a)(4).

- (a) Pursuant to Elections Code Section 13107, subdivision (a)(4), a candidate may propose a ballot designation consisting of the phrase "appointed incumbent" if the candidate holds an office, other than a judicial office, by virtue of appointment, and the candidate is a candidate for election to the same office. The candidate may not use the unmodified word "incumbent" or any words designating the office unmodified by the word "appointed."
- (b) Pursuant to Elections Code Section 13107, subdivision (a)(4), a candidate may propose a ballot designation consisting of the word "appointed" in conjunction with the elective office, if the candidate is a candidate for election to the same office or to some other office. The candidate may not use any words designating the office unmodified by the word "appointed."
- (c) There shall be no word count limitation applicable to ballot designations submitted pursuant to Elections Code Section 13107, subdivision (a)(4).

*Note: Authority cited: Section 12172.5, Government Code. Reference: Section 13107, Elections Code.*

### HISTORY

1. New section filed 1-14-98; operative 1-14-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 3).

## 20716. Unacceptable Ballot Designations.

- (a) The Secretary of State shall reject as unacceptable any proposed ballot designation which fails to comply with Elections Code Section 13107, subdivision (a); is prohibited pursuant to Elections Code Section 13107, subdivision (b); is misleading; or is otherwise improper pursuant to the regulations set forth in this Chapter.
- (b) The following types of activities are distinguished from professions, vocations and occupations and are not acceptable as ballot designations pursuant to Elections Code Section 13107, subdivision (a)(3):
  - (1) Avocations: An avocation is a casual or occasional activity, diversion or hobby pursued principally for enjoyment and in addition to the candidate's principal profession, vocation or occupation. Avocations may include, but are not limited to, hobbies, social activities, volunteer work (except as set forth in Section 20714.5 of this Chapter), and matters pursued as an amateur.
  - (2) Pro Forma Professions, Vocations and Occupations: Pro forma professions, vocations or occupations are positions held by the candidate which consume little or none of the candidate's time and which, by their nature, are voluntary or for which the candidate is not compensated, except as set forth in Section 20714.5 of this Chapter. Pro forma professions, vocations and occupations may include, but are not limited to, such pursuits as honorary peace officer, honorary chairperson, honorary professor, goodwill ambassador, official host or hostess and the like.
  - (3) Statuses: A status is a state, condition, social position or legal relation of the candidate to another person, persons or the community as a whole. A status is generic in nature and generally fails to identify with any particular specificity the manner by which the candidate earns his or her livelihood or spends the substantial majority of his or her time. Examples of a status include, but are not limited to, veteran, proponent, reformer, scholar, founder, philosopher, philanthropist, activist, patriot, taxpayer, concerned citizen, husband, wife, and the like.
- (c) Pursuant to Elections Code Section 13107, subdivision (b)(1), the Secretary of State shall reject as unacceptable any proposed ballot designation which would mislead voters. In making this determination, the Secretary of State shall determine whether there is a substantial likelihood that a reasonably prudent voter would be misled as to the candidate's principal profession, vocation or occupation by the candidate's proposed ballot designation. The determination shall take into account the plain meaning of the words constituting the proposed ballot designation and the factual accuracy of the proposed ballot designation based upon supporting documents or other evidence submitted by the candidate in support of the proposed ballot designation, pursuant to SectionSection 20711 and 20717 of this Chapter.
- (d) A ballot designation may not comprise or include commercial identification information, such as a trademark, service mark, tradename, or the specific name of a business, partnership, corporation, company, foundation, or organization. Examples of an improper use of commercial identification information include, but are not limited to, "Acme Company President," "Universal Widget Inventor," "Director, Smith Foundation," "UCLA Professor," and the like.
- (e) Pursuant to Elections Code Section 13107, subdivision (b)(2), the Secretary of State shall reject as unacceptable any

proposed ballot designation which would suggest an evaluation of the candidate's qualifications, honesty, integrity, leadership abilities or character. Any laudatory or derogatory adjectives which would suggest an evaluation of the candidate's qualifications shall not be permitted. Such impermissible adjectives include, but are not limited to, "senior," "emeritus," "specialist," "magnate," "outstanding," "leading," "expert," "virtuous," "eminent," "best," "exalted," "prominent," "famous," "respected," "honored," "honest," "dishonest," "corrupt," "lazy," and the like.

- (f) Pursuant to Elections Code Section 13107, subdivision (b)(3), the Secretary of State shall reject as unacceptable any proposed ballot designation which abbreviates the word "retired" or places it following any word or words which it modifies. Examples of impermissible designations include "Ret. Army General," "Major USAF, Retired" and "City Attorney, Retired."
- (g) Pursuant to Elections Code Section 13107, subdivision (b)(4), the Secretary of State shall reject as unacceptable any proposed ballot designation which uses a word or prefix to indicate a prior profession, vocation, occupation or elected, appointed or judicial office previously held by the candidate. Such impermissible words or prefixes include, but are not limited to, "Ex-," "former," "past," and "erstwhile." Examples of impermissible designations include "Former Congressman," "Ex-Senator," and "Former Educator."

- (1) Subject to the provisions of Elections Code Section 13107, subdivision (b)(4), use of the word "retired" in a ballot designation is generally limited for use by individuals who have permanently given up their chosen principal profession, vocation or occupation.
- (2) In evaluating a proposed ballot designation including the word "retired," the Secretary of State will consider the following factors in making a determination as to the propriety of the use of the term "retired":

- (A) Prior to retiring from his or her principal profession, vocation or occupation, the candidate worked in such profession, vocation or occupation for more than 5 years;
- (B) The candidate is collecting, or eligible to collect, retirement benefits or other type of vested pension;
- (C) The candidate has reached at least the age of 55 years;
- (D) The candidate voluntarily left his or her last professional, vocational or occupational position; and,
- (E) The candidate's retirement benefits are providing him or her with a principal source of income.

- (3) If a candidate is requesting a ballot designation that he or she is a retired public official, the candidate must have previously voluntarily retired from public office, not have been involuntarily removed from office, not have been recalled by voters, and not have surrendered the office to seek another office or failed to win reelection to the office. If such a candidate did not voluntarily retire from public office, he or she may not use the word "retired" in his or her ballot designation.

- (4) A candidate may not use the word "retired" in his or her ballot designation if that candidate possesses another more recent, intervening principal profession, vocation, or occupation.

- (i) Pursuant to Elections Code Section 13107, subdivision (b)(5), the Secretary of State shall reject as unacceptable any proposed ballot designation which uses the name of any political party, whether or not it has qualified for recognized ballot status.
- (j) Pursuant to Elections Code Section 13107, subdivision (b)(6), the Secretary of State shall reject as unacceptable any proposed ballot designation which uses a word or words referring to a racial, religious, or ethnic group.

- (1) The Secretary of State shall reject as unacceptable any ballot designation which expressly contains or implies any ethnic or racial slurs or ethnically or racially derogatory language.
- (2) If the candidate is a member of the clergy, the candidate may not make reference to his or her specific denomination. However, the candidate may use his or her clerical title as a ballot designation (e.g., "Rabbi," "Pastor," "Minister," "Priest," "Bishop," "Deacon," "Monk," "Nun," "Imam," etc.)

- (k) Pursuant to Elections Code Section 13107, subdivision (b)(7), the Secretary of State shall reject as unacceptable any proposed ballot designation which refers to any activity prohibited by law. Unlawful activity includes any activities, conduct, professions, vocations, or occupations prohibited by state or federal law.

*Note: Authority cited: Section 12172.5, Government Code. Reference: Section 13107, Elections Code.*

#### **HISTORY**

1. New section filed 1-14-98; operative 1-14-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 3).
2. Amendment filed 12-21-2009; operative 12-21-2009 pursuant to Government Code section 11343.4 (Register 2009, No. 52).

## 20717. Requests for Supporting Documentation.

In addition to the Ballot Designation Worksheet required to be filed with the Secretary of State pursuant to Elections Code Section 13107.3 and Section 20711 of this Chapter, the Secretary of State may request that a candidate submit additional supporting documentation or other evidence to support the proposed ballot designation.

- (a) Time is of the essence regarding all matters pertaining to the review of proposed ballot designations submitted by candidates for public office. Failure to promptly submit requested supporting materials will preclude consideration of such materials in and the rendering of a final decision on the candidate's proposed ballot designation.
- (b) The Secretary of State will communicate, whenever possible, with the candidate in the most expeditious manner, including, but not limited to, telephone, facsimile transmission and electronic mail at the number or address provided by the candidate. When the candidate does not have reasonable access to a facsimile machine or electronic mail, the Secretary of State will transmit written communication to the candidate by means of overnight express delivery to the address provided by the candidate.
- (c) The candidate shall have the burden of establishing that the proposed ballot designation that he or she has submitted is accurate and complies with all provisions of Elections Code Section 13107 and this Chapter.

*Note: Authority cited: Section 12172.5, Government Code. Reference: Sections 13107 and 13107.3, Elections Code.*

### HISTORY

1. New section filed 1-14-98; operative 1-14-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 3).
2. Amendment of section and Note filed 12-21-2009; operative 12-21-2009 pursuant to Government Code section 11343.4 (Register 2009, No. 52).

## 20718. Communication of Decisions Regarding Ballot Designations.

- (a) If a candidate's proposed ballot designation has been rejected, an official copy of the decision of the Secretary of State will be made in writing and transmitted directly to the candidate by registered or certified mail, return receipt requested, to the address provided by the candidate. The Secretary of State shall also provide a copy to the elections official in the candidate's county of residence and to the elections official of each county within the political subdivision. Copies may also be made available to all other candidates in the race.
- (b) At the request of the candidate, the Secretary of State will transmit a copy of the decision of the Secretary of State regarding the candidate's proposed ballot designation by facsimile transmission or e-mail to the facsimile number or e-mail address listed on the candidate's Ballot Designation Worksheet.
- (c) All written decision of the Secretary of State regarding ballot designations are public records and are available for inspection and copying at the public counter of the Elections Division of the Office of the Secretary of State, 1500 11th Street, Fifth Floor, Sacramento, California 95814.

*Note: Authority cited: Section 12172.5, Government Code. Reference: Section 13107, Elections Code.*

### HISTORY

1. New section filed 1-14-98; operative 1-14-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 3).
2. Amendment filed 12-21-2009; operative 12-21-2009 pursuant to Government Code section 11343.4 (Register 2009, No. 52).

## 20719. Service of Legal Process Regarding Ballot Designations.

- (a) In the event a candidate or other interested party files a petition for the issuance of an extraordinary writ with the court or other legal action pertaining to a candidate's ballot designation, the summons and any other legal process should be served upon the Chief Counsel to the Secretary of State, 1500 11th Street, Sixth Floor, Sacramento, California 95814. The Chief Counsel may designate a Deputy Secretary of State to accept service of process on behalf of the Secretary of State.
- (b) Telephone notice pertaining to any ex parte applications filed with the court by any candidate or other interested party should be directed to the attention of the Chief Counsel to the Secretary of State at (916) 653-7244. Counsel for all parties to such ex parte matters are admonished that waivers of the Secretary of State's right to timely notice and the right to personally appear at the ex parte hearing will be granted in writing and only in limited instances.
- (c) The Secretary of State shall provide a copy of any legal actions in subdivision (a) or (b) above to the elections official in the county of the candidate's residence and any other county in the district.
- (d) The Secretary of State shall be named as a respondent in any legal action pertaining to a ballot designation for a candidate described in Elections Code Section 15375, except for a candidate for judge of the superior court.

*Note: Authority cited: Section 12172.5, Government Code. Reference: Sections 13107 and 13314, Elections Code.*

**HISTORY**

1. New section filed 1-14-98; operative 1-14-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 3).
2. Amendment of subsection (a), new subsection (d), and amendment of Note filed 12-21-2009; operative 12-21-2009 pursuant to Government Code section 11343.4 (Register 2009, No. 52).

RESOLUTION NO. 4783

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WESTMINSTER, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION (TO BE HELD ON TUESDAY, NOVEMBER 8, 2016)

WHEREAS, Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidate's statement;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WESTMINSTER, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1: GENERAL PROVISIONS. That pursuant to Section 13307 of the Elections Code of the State of California, each candidate for elective office to be voted for at an Election to be held in the City of Westminster on November 8, 2016 may prepare a candidate's statement on an appropriate form provided by the City Clerk. The statement may include the name, age and occupation of the candidate and a brief description of no more than two hundred (200) words of the candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement shall be filed in typewritten form in the office of the City Clerk at the time the candidate's nomination papers are filed. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period.

SECTION 2: FOREIGN LANGUAGE POLICY.

- A. Pursuant to the Federal Voting Rights Act, candidates statements will be translated into all languages required by the County of Orange. The County is required to translate candidate's statements into the following languages: Spanish, Vietnamese, Chinese and Korean.
- B. The County will mail separate sample ballots and candidates statements in Spanish, Vietnamese, Chinese and Korean to only those voters who are on the county voter file as having requested a sample ballot in a particular language. The County will make the sample ballots and candidates statements in the required languages available at all polling places, on the County's website, and in the Election Official's office.

### SECTION 3: PAYMENT.

A. Translations:

The candidate shall be required to pay for the cost of translating the candidates statement into any required foreign language as specified in (A) and (B) of Section 2 above pursuant to Federal and/or State law.

B. Printing:

The candidate shall be required to pay for the cost of printing the candidates statement in a foreign language required in (A) of Section 2 above, in the main voter pamphlet.

The City Clerk shall estimate the total cost of printing, handling, translating and mailing the candidate's statements filed pursuant to this section, including costs incurred as a result of complying with the Voting Rights Act of 1965 (as amended), and require each candidate filing a statement to pay in advance to the local agency his or her estimated pro rata share as a condition of having his or her statement included in the voter's pamphlet. In the event the estimated payment is required, the estimate is just an approximation of the actual cost that varies from one election to another election and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements. Accordingly, the clerk is not bound by the estimate, and may on a pro rata basis, bill the candidate for additional actual expense or refund any excess paid depending on the final actual cost. In the event of underpayment, the clerk may require the candidate to pay the balance of the cost incurred. In the event of overpayment, the clerk shall prorate the excess amount among the candidates and refund the excess amount paid within 30 days of the election.

### SECTION 4: MISCELLANEOUS.

A. All translations shall be provided by professionally-certified translators.

B. The City Clerk shall allow "bold type," "underlining," "capitalization," "indentations," "bullets," and "leading hyphens" to the same extent and manner as allowed in previous City elections.

C. The City Clerk shall comply with all recommendations and standards set forth by the California Secretary of State regarding occupational designations and other matters relating to elections.

SECTION 5: ADDITIONAL MATERIALS. No candidate will be permitted to include additional materials in the sample ballot package.

SECTION 6. That the City Clerk shall provide each candidate or the candidate's representative a copy of this Resolution at the time nominating petitions are issued.

SECTION 7. That all previous resolutions establishing council policy on payment for candidate statements are repealed.

SECTION 8. That this Resolution shall apply only to the election to be held on November 8, 2016, and shall then be repealed.

SECTION 9. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED, and ADOPTED this 11<sup>th</sup> day of May 2016, by the following vote:

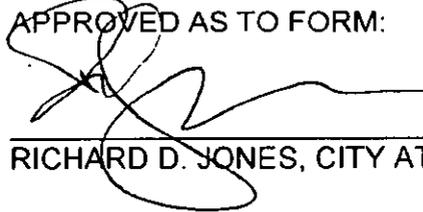
AYES:	COUNCIL MEMBERS:	TA, CONTRERAS, CAREY, DIEP, RICE
NOES:	COUNCIL MEMBERS:	NONE
ABSENT:	COUNCIL MEMBERS:	NONE

  
\_\_\_\_\_  
TRI TA, MAYOR

ATTEST:

  
\_\_\_\_\_  
AMANDA JENSEN, CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
RICHARD D. JONES, CITY ATTORNEY

STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) SS.  
CITY OF WESTMINSTER )

I, Amanda Jensen, hereby certify that I am the duly appointed Clerk of the City of Westminster, and that the foregoing resolution was duly adopted at a regular meeting of the City Council of the City of Westminster held on the 11<sup>th</sup> day of May 2016.

  
Amanda Jensen, CMC  
City Clerk

## CANDIDATE'S STATEMENT OF QUALIFICATIONS

Each candidate for **nonpartisan elective office** in any local agency, including any city, county, city and county, or district, may prepare a Candidate's Statement on an appropriate form provided by the elections official. The statement may include the name, age and occupation of the candidate and a brief description, of no more than 200 words, of the candidate's education and qualifications expressed by the candidate himself/herself. However, the governing body of the local agency may authorize an increase in the limitations on words for the statement from 200 to 400 words. **The statement shall not include the party affiliation of the candidate, nor membership or activity in partisan political organizations.** The candidate must sign the statement before it is filed in the office of the Registrar of Voters when his/her nomination papers are returned for filing, if it is for a primary election, or for an election for offices for which there is no primary. The statement shall be filed in the office of the elections official no later than the 88th day before the election, **August 12, 2016, 5:00 p.m.**, if it is for an election for which nomination papers are not required to be filed. **§ 13307**

The statement **may be withdrawn, but not changed**, during the period for filing nomination papers and until **August 15, 2016, 5:00 p.m.**, the next working day after the close of the nomination period. **§ 13307**

**NOTE:** In the event that the nomination period for a particular office is extended because an incumbent eligible to be elected did not file nomination papers, a Candidate's Statement for that particular office **may be withdrawn, but not changed**, during the extended nomination period and until **5:00 p.m. of August 18, 2016**, the next working day after the close of the extended nomination period. **§ 13307**

**A Candidate's Statement of Qualifications may make no reference to another candidate.** In addition to the restrictions set forth in Section 13307, any Candidate's Statement of Qualifications submitted pursuant to Section 13307 shall be limited to a recitation of the candidate's own personal background and qualifications, and **shall not in any way make reference to other candidates for that office or to another candidate's qualifications, character, or activities.** The elections official shall not cause to be printed or circulated any statement that the elections official determines is not so limited or that includes any reference prohibited by this section. **§ 13308**

The Registrar of Voters will send to each voter, together with the sample ballot, a voter's pamphlet which contains the written statements of each candidate that is prepared pursuant to this section. The statement of each candidate will be printed in type of uniform size and darkness, and with uniform spacing. **§ 13307(b)**

All Candidate's Statements shall remain confidential until the expiration of the filing deadline. **§ 13311**

The Registrar of Voters will estimate the total cost of printing and handling of the Candidate's Statement filed pursuant to this section, and will require each candidate having a statement to pay in advance his/her estimated pro rata share as a condition of having his/her statement included in the voter's pamphlet. The candidate must also sign a deposit agreement at the time the statement is filed. A copy of the signed deposit agreement and signed statement will be given to the candidate. The Registrar of Voters will determine the cost for each candidate and will refund any excess amount paid within 30 days of the election. An invoice will be sent if any additional amount is required to be paid by the candidate.

**If a candidate's contest does not appear on the ballot (due to being a contest whose candidates may be appointed in lieu of election if the number of candidates nominated does not exceed the number of candidates to be elected from that district), the Candidate's Statement payment will be refunded.**

In the event that a candidate pays for a statement by check and the check is returned by the bank due to insufficient funds, the candidate will have 24 hours to pay for the statement by credit, card, cash, money order or certified check, or the statement will not be printed in the voter's pamphlet. **§ 13307**

**NOTE: Pursuant to minority language provisions of the Federal Voting Rights Act, Orange County is required to provide election materials in the Chinese, Korean, Vietnamese and Spanish languages in addition to English. The materials covered by this Act include Candidates' Statements. Therefore, all estimated costs include translating and printing of Candidates' Statements in the Chinese, Korean, Spanish and Vietnamese languages. These materials will be provided to voters who have requested Chinese, Korean, Spanish and Vietnamese language election materials.**

Nothing in the foregoing shall be deemed to make any statement or the authors thereof free or exempt from any civil or criminal action or penalty because of any false, slanderous or libelous statements offered for printing or contained in the voter's pamphlet. **§ 13307**

Before the nomination period opens, the local agency for that election shall determine whether a charge shall be levied against that candidate for the Candidate's Statement sent to each voter. This decision shall not be revoked or modified after the seventh day prior to the opening of the nominating period. A written statement of the regulations with respect to charges for handling, packaging, and mailing shall be provided to each candidate or his/her representative at the time he/she picks up the nomination papers. **§ 13307**

For all Candidates' Statements filed on or before **August 12, 2016**, the public review period is **August 13 through August 22, 2016, 5:00 p.m.** For all Candidates' Statements filed during the extended filing period, the public review period is **August 18 through August 27, 2016** at the Registrar of Voters office. **§ 13313**

## CANDIDATE'S STATEMENT OF QUALIFICATIONS FORMATTING GUIDELINES

The Registrar of Voters office has a semi-automated system for Sample Ballot input/layout of Candidate's Statements of Qualifications. Due to the volume of statements and printing deadlines, it is necessary to have a standardized format for Candidate Statements. We have prepared the following guidelines to assist candidates in the preparation of their statements.

1. The following paragraph styles are acceptable with this system.

### INDENTED PARAGRAPHS:

Xxxxx xxxxx xxxxxxxxxxx xxxxx xxxxx. X xxxx xx xxxxxxxxxxx xxxxxxxxxxx  
xxxxxxxxxxxx xxxxxxx xxxxxxxxxxx xx xxx xxxxx. Xxx xxxxx xxxxxxx xxxxx xx xx.  
Xxxx xxxxxxx xx x x xxxxxxxxxxx x xxxxxx xxxxx. Xxx xxxxxx xxxxxx xxxxx xx xxx  
xxxxx xxx xxxxxx. Xx xxxxx xxx.

### BLOCK PARAGRAPHS:

Xxxxx xxxxxxx xxxxx. Xxxx x xx xxxx xxxxxxxxxxx xxx. Xxxx xxx xxx xxxxxxxxxxx  
xxxx. X xxx xxxxx xxx x xx xxx. Xxx xxx xxx xxxxxxx xxxxx xxx.

Xxx xxxxxx xxx. Xx xxx xxxxxxx xxxxxxx xxxxxx. X xxx xxxxx xxxxxx xxxxx xxx  
x xx xxx xxx. Xxx xxx xxxxxxx xxxxxx xxx. Xxx xxxxxx xxxxxxx xxxxxx xxxxx.

**DO NOT USE ANY PARAGRAPH/FORMAT STYLE OTHER THAN THOSE LISTED ABOVE.**

2. All statements must be submitted on our form or typed or printed by automated equipment.  
**DO NOT PRINT ANY STATEMENT ON LINED PAPER.**
3. NOTE: Name, age and occupation lines are not included in the word count. **The words reflected in the "Occupation" field must follow the ballot designation guidelines listed in this handbook.**
4. Do not underline or **bold** WORDS. § 13307
5. Words may NOT be all CAPITAL letters.
6. Do not use *italics* or type styles to highlight portions of the statement. § 13307
7. Do not use different type sizes. § 13307
8. A 200-word statement must fit on one-quarter of a sample ballot pamphlet page. A 400-word statement must fit on one-half page of a sample ballot pamphlet page. If your statement exceeds this limitation we will be forced to adjust your format to fit in the space allowed.
9. To offset paragraphs, you may block indent. **However, do not use bullet points, stars, asterisks, or numbers that function as bullet points.**
10. All statements are printed in the sample ballot pamphlet with the following titles which are not included in the word count:

**NAME OF DISTRICT  
TITLE OF OFFICE**

Use these general guidelines to assist you in the preparation of your statement. There are other requirements regarding the content of your statement that are outlined in this Candidate's Handbook.

**CHECK YOUR STATEMENT CAREFULLY FOR ERRORS IN SPELLING, PUNCTUATION, AND GRAMMAR BEFORE FILING. WITH THE EXCEPTION OF THE FORMATTING REQUIREMENTS, YOUR STATEMENT WILL BE PRINTED EXACTLY AS SUBMITTED.**

**WORD COUNT STANDARD FOR CANDIDATE'S STATEMENT  
OF QUALIFICATIONS  
(§ 9)**

Each word shall be counted as one word except as specified on this page.

The following are the guidelines for computing the word count:

The title of the office, name, district, age, and occupation lines are not included in the word count –only the text is counted. For voter-nominated offices, the party preference line is also not included in the word count.

Punctuation marks are not included in the word count.

Symbols such as "&" (and), and "#" (number/pound) are not considered punctuation..... each symbol is counted as one word

Dictionary words.....one word  
The words "a", "the", "and", and "an" are counted as individual words.

Geographical names -- **limited to cities, counties, and states**.....one word  
Examples: County of Orange, Orange County, San Juan Capistrano, City of Brea

Abbreviations - UCLA, U.C.L.A., PTA, P.T.A., USMC, U.S.M.C.....one word

Acronyms.....one word

Regularly hyphenated words appearing in any generally available standard reference dictionary published in the United States within 10 years preceding the election. Each part of all other hyphenated words shall be counted as a separate word..... one word

Dates - all digits (4/8/98).....one word  
Words and digits (April 8,1998).....two words

Whole numbers - Digits (1 or 10 or 100, etc.).....one word  
Spelled out (one or ten or one hundred).....each word counts as one word

Names of persons and things.....each word counts as one word  
Gus Enright (two words); L.A. Basketball Team (three words)

Numeric combinations (1973, 18 1/2, 1971-73, 5%).....one word

Monetary amounts (if the dollar sign is used with figures - \$1,000).....one word  
Spelled out (one thousand dollars).....each word counts as one word

Telephone/fax numbers.....one word

E-mail and web site addresses.....one word

If the text exceeds the word limit, the candidate must delete or change a sufficient number of words, or a sentence, to put the statement within the required word limit before the statement is filed. The candidate should correct any misspellings before the statement is filed. **Other than formatting requirements, your statement will be printed as filed.**

The submitted statement must be typed. **No word will be printed in "ALL CAPS", bolding or underlining. Do not use bullet points, stars, asterisks, or numbers that function as bullet points to block-indent paragraphs.**

# CANDIDATE'S STATEMENT INFORMATION SHEET

Complete this form, and submit with your candidate statement. Please use all regular lower case letters (**do not use all caps**).  
Provide a brief description of no more than 200 words, of the candidate's education and qualifications.  
Be sure to include the official title of the office you are a candidate for, your name, age, and occupation.  
**(see bottom of reverse side for sample format)**

↓ Enter the candidates' name and the office title: \_\_\_\_\_

↓ Enter the name of the jurisdiction to which the office belongs,  
if other than the name of the city (i.e, the name of the school district). \_\_\_\_\_

(↑ Candidate's name)     Male     Female

(↑ Jurisdiction name)

(↑ Office Title)  
(i.e., Mayor, Member of the City Council, City Clerk,  
Member of the Board of Education, etc.)

**I DO WANT** my Candidate Statement to appear in the following languages in the Sample Ballot Voter Pamphlet:  
 Spanish / Colloquial (informal)     Chinese / Traditional     Japanese     Korean     Tagalog  
 English     Spanish / Castillian (formal)     Chinese / Simplified     Vietnamese     Thai     Khmer

**I DO NOT WANT** to file a candidate statement.

Signature of candidate: \_\_\_\_\_

### STATE LAW PROVIDES (per Election Code Section 13307):

1. A Candidate Statement is optional and available to all candidates for nonpartisan offices.
2. The statement may include candidate's age, occupation and a brief description of education and qualifications (expressed by the candidate himself or herself).
3. Each local jurisdiction determines:
  - a. the maximum number of words allowed, usually 200 words
  - b. responsibility for payment, the candidate or the jurisdiction
  - c. whether the costs are to be paid in advance.
4. Reference to political party affiliation or mention of any partisan political membership or activity is not permitted.
5. Reference to other candidates for that office or to another candidate's qualifications, character, or activities are prohibited. (EC 13308).
6. **No changes of any kind are allowed AFTER the statement is filed.**
7. The statement may be withdrawn (in writing) up to 5:00 pm of the next working day after the close of the nomination period.
8. Statements are confidential until after the close of the nomination period.
9. A candidate may request that the statement also be printed in other languages and included in the Sample Ballot Voter Information Pamphlet mailed to all voters in the election area. An additional fee may be required to print the additional languages.

### CANDIDATE STATEMENTS MUST BE FILED AT THE TIME NOMINATION PAPERS ARE FILED.

The estimated cost is determined prior to all information being available, therefore, it is an approximation of the actual cost that may be significantly more or less depending on the actual number of candidates filing statements.

For Election Official's use only:    Estimated Cost of Printing Candidate's Statement in:

English: \$ ..... / Spanish: \$..... / \_\_\_\_\_: \$..... / \_\_\_\_\_: \$..... / \_\_\_\_\_: \$.....

If applicable, the below estimated cost is for the Translations (and formatting if translation is provided by the candidate) and this cost does not include printing, which cost is noted above:

Spanish: : \$..... / \_\_\_\_\_: \$..... / \_\_\_\_\_: \$..... / \_\_\_\_\_: \$.....

- Election Official:
- a. Send one copy of this page and the candidate statement to the vendor/printer
  - b. keep original set for your files
  - c. make one copy for the candidate
  - d. make one or more copies for the translator(s) if necessary.

(more information on reverse side) →

# CANDIDATE'S STATEMENT INFORMATION SHEET

Please type using regular lowercase letters, do not use all CAPS.  
Type your statement clearly and legibly - DO NOT **handwrite** or print.

Section 13307 of the Elections Code of the State of California sets forth guidelines for candidate's statements.

Please follow them:

1. The statement of each candidate shall be printed in type of uniform size and darkness and with uniform spacing.
2. The statement shall not include any party affiliation or membership or activity in partisan political organizations.
3. Reference to other candidates for that office or to another candidate's qualifications, character, or activities are prohibited.
4. Your statement will be printed as submitted; therefore you are advised to carefully check for errors in punctuation and grammar. Spelling however, will be corrected by the computer automatically.
5. Remember to sign this form and any supplemental sheets if used and attach them to your statement. If you wish to have a Foreign language translation of your statement prepared for printing in the Voter's Pamphlet, be sure to check the space(s) provided on the front of this form.

## WORD COUNT STANDARDS

As stated in Section 9 of the Elections Code.

- (a) Counting of words, for purposes of this code, shall be as follows:
- (1) Punctuation is not counted.
  - (2) Each word shall be counted as one word except as specified in this section.
  - (3) All proper nouns, including geographical names, shall be considered as one word; for example, "City and County of San Francisco" shall be counted as one word.
  - (4) Each abbreviation for a word, phrase, or expression shall be counted as one word. *E.G. UCLA, PTA, L.A.P.D.*
  - (5) Hyphenated words that appear in any generally available standard reference dictionary, published in the United States at any time within the 10 calendar years immediately preceding the election for which the words are counted, shall be considered as one word. Each part of all other hyphenated words shall be counted as a separate word.
  - (6) Dates shall be counted as one word, in either format, i.e., *April 10, 1990 or 4/10/90.*
  - (7) Any number consisting of a digit or digits shall be considered as one word. Any number which is spelled, such as "one," shall be considered as a separate word or words. "One" shall be counted as one word whereas "one hundred" shall be counted as two words. "100" shall be counted as one word.
  - (8) Telephone numbers shall be counted as one word.
  - (9) Internet Web site and email addresses shall be counted as one word.
- (b) This section shall not apply to counting words for ballot designations under Sections 13107 and 13107.5.

### FOR MEMBER OF THE CITY COUNCIL

**JOHN SMITH**

Age:

**Occupation:** Businessman

I have been a 30 year resident of this City and thoroughly enjoy living here. I would like to increase citizen education and police resources to stop the gang and graffiti activity that are overtaking our city.

I would like to implement environmental standards for cleaner water and air quality.

I respectfully ask for your support and thank those of you who cast your vote for me. A vote for me is a vote for a better City Council.

/s/ John Smith

## SAMPLE OF STATEMENT FORMAT



Please use Helvetica 10 pt type.

## Section 3 – Appendix

November 8, 2016 \* General Municipal Election  
**Candidate Handbook and Resource Guide**  
Presented by the City of Westminster  
City Clerk's Office

GENERAL MUNICIPAL ELECTION  
NOVEMBER 8, 2016

CANDIDATE INFORMATION SHEET

\_\_\_\_\_  
Candidate's Name (Please print)

\_\_\_\_\_  
Occupation

\_\_\_\_\_  
Address

Please provide telephone number(s) the City may provide to members of the public who are interested in your candidacy:

\_\_\_\_\_

Please provide the email address where you would like election information to be sent:

\_\_\_\_\_

\_\_\_\_\_  
Signature of Candidate

\_\_\_\_\_  
Dated

Candidate for Mayor (Two-Year Term) \_\_\_\_\_

Candidate for Member of City Council (Four-Year Term) \_\_\_\_\_

## RECEIPT FOR CANDIDATE'S HANDBOOK

I, \_\_\_\_\_, a potential candidate for the November 8, 2016 General Municipal Election, do hereby acknowledge receipt of the materials as listed in the Table of Contents of the Candidate's Handbook, and the Nomination Paper, Ballot Designation Worksheet, Candidate's Statement of Qualification Form and Statement of Economic Interests (Form 700) from the Office of the City Clerk of the City of Westminster.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Candidate (or representative)

\_\_\_\_\_  
City Clerk or Assistant City Clerk

## CODE OF FAIR CAMPAIGN PRACTICES

There are basic principles of decency, honesty, and fair play which every candidate for public office in the State of California has a moral obligation to observe and uphold in order that, after vigorously contested but fairly conducted campaigns, our citizens may exercise their constitutional right to a free and untrammled choice and the will of the people may be fully and clearly expressed on the issues.

### THEREFORE:

(1) **I SHALL CONDUCT** my campaign openly and publicly, discussing the issues as I see them, presenting my record and policies with sincerity and frankness, and criticizing without fear or favor the record and policies of my opponents or political parties that merit this criticism.

(2) **I SHALL NOT USE OR PERMIT** the use of character defamation, whispering campaigns, libel, slander, or scurrilous attacks on any candidate or his or her personal or family life.

(3) **I SHALL NOT USE OR PERMIT** any appeal to negative prejudice based on a candidate's actual or perceived race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age, sexual orientation, sex, including gender identity, or any other characteristic set forth in Section 12940 of the Government Code, or association with another person who has any of the actual or perceived characteristics set forth in Section 12940 of the Government Code.

(4) **I SHALL NOT USE OR PERMIT** any dishonest or unethical practice that tends to corrupt or undermine our American system of free elections, or that hampers or prevents the full and free expression of the will of the voters including acts intended to hinder or prevent any eligible person from registering to vote, enrolling to vote, or voting.

(5) **I SHALL NOT** coerce election help or campaign contributions for myself or for any other candidate from my employees.

(6) **I SHALL IMMEDIATELY AND PUBLICLY REPUDIATE** support deriving from any individual or group that resorts, on behalf of my candidacy or in opposition to that of my opponent, to the methods and tactics that I condemn. I shall accept responsibility to take firm action against any subordinate who violates any provision of this code or the laws governing elections.

(7) **I SHALL DEFEND AND UPHOLD** the right of every qualified American voter to full and equal participation in the electoral process.

I, the undersigned, candidate for election to public office in the State of California or treasurer or chairperson of a committee making any independent expenditures, hereby voluntarily endorse, subscribe to, and solemnly pledge myself to conduct my campaign in accordance with the above principles and practices.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date of Election

# CODE OF FAIR CAMPAIGN PRACTICES

(Division 20, Chapter 5, Elections Code.)

## Chapter 5. Fair Campaign Practices

### Article 1. General Intent

20400. The Legislature declares that the purpose of this chapter is to encourage every candidate for public office in this state to subscribe to the Code of Fair Campaign Practices.

It is the ultimate intent of the Legislature that every candidate for public office in this state who subscribes to the Code of Fair Campaign Practices will follow the basic principles of decency, honesty, and fair play in order that, after vigorously contested, but fairly conducted campaigns, the citizens of this state may exercise their constitutional right to vote, free from dishonest and unethical practices which tend to prevent the full and free expression of the will of the voters.

The purpose in creating the Code of Fair Campaign Practices is to give voters guidelines in determining fair play and to encourage candidates to discuss issues instead of untruths or distortions.

### Article 2. Definitions

20420. As used in this Chapter, "Code" means the Code of Fair Campaign Practices.

### Article 3. Code of Fair Campaign Practices

20440. At the time an individual is issued his or her declaration of candidacy, nomination papers, or any other paper evidencing an intention to be a candidate for public office, the elections official shall give the individual a blank form of the code and a copy of this chapter. The elections official shall inform each candidate for public office that subscription to the code is voluntary.

In the case of a committee making an independent expenditure, as defined in Section 82031 of the Government Code, the Secretary of State shall provide a blank form and a copy of this chapter to the individual filing, in accordance with Title 9 (commencing with § 81000) of the Government Code, an initial campaign statement on behalf of the committee.

The text of the Code shall read, as follows: (See "**CODE OF FAIR CAMPAIGN PRACTICES**" on reverse side).

20442. The elections official shall accept, at all times prior to the election, all completed forms that are properly subscribed to by a candidate for public office and shall retain them for public inspection until 30 days after the election.

20443. Every code subscribed to by a candidate for public office pursuant to this chapter is a public record open for public inspection.

20444. In no event shall a candidate for public office be required to subscribe to or endorse the code.

**PLEASE SEE THE  
CITY CLERK'S OFFICE  
TO RECEIVE  
NOMINATION PAPERS  
FROM JULY 18 TO  
AUGUST 12, 2016**

# Ballot Designation Worksheet

Pursuant to California Elections Code Section 13107.3 and Section 20711 of the California Code of Regulations, this entire form **must be completed**, or it will not be accepted and you will **not** be entitled to a ballot designation. **DO NOT LEAVE ANY RESPONSE SPACES BLANK.** If information requested is not applicable, please write N/A in the space provided. Otherwise the information **MUST** be provided. Upon filing, this worksheet will be a public record.

Candidate Information

Candidate Name: \_\_\_\_\_  
Office: \_\_\_\_\_  
Home Address: \_\_\_\_\_ E-Mail: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Phone Number(s) Business: \_\_\_\_\_ Home/Mobile: \_\_\_\_\_ Fax: \_\_\_\_\_

Attorney Information

Other person authorized to act on your behalf or Not Applicable:   
Attorney Name: \_\_\_\_\_ Office: \_\_\_\_\_  
Home Address: \_\_\_\_\_ E-Mail: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Phone Number(s) Business: \_\_\_\_\_ Home/Mobile: \_\_\_\_\_ Fax: \_\_\_\_\_

**Proposed Ballot Designation:** \_\_\_\_\_

**1st Alternative:** \_\_\_\_\_

**2nd Alternative:** \_\_\_\_\_

You may select as your ballot designation one of the following:

- (a) Your current principal profession(s), vocation(s), or occupation(s) [maximum total of three words, separated by a "/"]
- (b) The full title of the public office you currently occupy and to which you were elected
- (c) "Appointed [full title of public office]" if you currently serve by appointment in an elective public office and are seeking election to a different office
- (d) "Incumbent" if you were elected (or, if you are a Superior Court Judge, appointed) to your current public office and seek election to a new term
- (e) "Appointed Incumbent" if you were appointed to your current elective public office (other than Superior Court Judge) and seek election to a new term

In the space provided on the next page or on an attachment sheet, describe why you believe you are entitled to use the proposed ballot designation. Attach any documents or exhibits that you believe support your proposed ballot designation. If using the title of an elective office, attach a copy of your certificate of election or appointment. These documents will not be returned to you. **Do not submit originals.**

If your proposed ballot designation includes the word "volunteer," indicate the title of your volunteer position and the name of the entity for which you volunteer along with a brief description of the type of volunteer work you do and the approximate amount of time involved. You may only use the ballot designation "community volunteer" if you volunteer for a 501(c)(3) charitable, educational, or religious organization, a governmental agency or an educational institution. You may not use "community volunteer" together with another designation.

For your reference the relevant provisions of the Elections Code are reproduced below:

**13107.5. Ballot Designation of "community volunteer."**

- (a) A candidate's ballot designation as "community volunteer" shall constitute a valid principal vocation or occupation for purposes of subdivision (a) of Section 13107, if not otherwise in violation of any of the restrictions set forth in that section, and subject to the following conditions:
- (1) A candidate's community volunteer activities constitute his or her principal profession, vocation, or occupation.
  - (2) A candidate is not engaged concurrently in another principal profession, vocation, or occupation.
  - (3) A candidate may not use the designation of "community volunteer" in combination with any other principal profession, vocation, or occupation designation.
- (b) The Secretary of State shall by regulation define what constitutes a community volunteer for purposes of this section.

**20711. Ballot Designation Worksheet.**

(a) In order to facilitate review of a candidate's proposed ballot designation by the Secretary of State pursuant to Elections Code Section 13107, the candidate shall submit, at the time of filing his or her proposed ballot designation on the Declaration of Candidacy, a completed Ballot Designation Worksheet on a form provided by the Secretary of State.

(b) All Ballot Designation Worksheets filed with the Office of the Secretary of State or the county elections officials pursuant to this section shall be public records and shall be available for inspection and copying at the public counter of the Elections Division of the Office of the Secretary of State, Fifth Floor, 1500 11th Street, Sacramento, California 95814, or at the office of the applicable county elections official.

(c) The Secretary of State shall provide a master copy or copies of the Ballot Designation Worksheet to all elections officials responsible for providing and accepting the nomination documents for candidates in elections for offices certified by the Secretary of State. The Ballot Designation Worksheet shall request that the candidate proposing the ballot designation provide the following information:

- (1) The candidate's name, home, business and mailing addresses, telephone numbers, e-mail address, if available, and fax number;
- (2) A designation of the office for which the candidate is seeking election;
- (3) The name, home, business and mailing addresses, telephone numbers, e-mail address, if available, and fax number of the attorney representing the candidate or for any other person to be contacted in the event the Secretary of State requires further information regarding the proposed ballot designation;
- (4) The proposed ballot designation submitted by the candidate;
- (5) The candidate may submit one or more proposed alternate ballot designations ranked in order of the candidate's preference;
- (6) A brief statement identifying the factual basis upon which the candidate claims the proposed ballot designation and each proposed alternate ballot designation, including the following:
  - (A) If the candidate holds elected office and is submitting his or her proposed ballot designation pursuant to Elections Code Section 13107, subdivisions (a)(1) or (a)(2), the candidate shall indicate the elective office he or she currently occupies and may attach a copy of his or her Certificate of Election;
  - (B) If the candidate is a judicial officer and is submitting his or her proposed ballot designation pursuant to Elections Code Section 13107, subdivisions (a)(1) or (a)(2), the candidate shall indicate the elective office he or she currently holds and may attach either (A) a copy of his or her Certificate of Election or (B) a copy of his or her commission or certificate of appointment, issued at the time the candidate was appointed to the judicial office which he or she currently occupies;
  - (C) If the candidate submits a ballot designation pursuant to Elections Code Section 13107, subdivision (a)(3), the candidate shall indicate:
    - (i) The title of the position or positions which he or she claims supports the proposed ballot designation;
    - (ii) The dates during which the candidate held such position;
    - (iii) A description of the work he or she performs in the position;
    - (iv) The name of the candidate's business or employer;
    - (v) The name and telephone number of a person or persons who could verify such information; and
    - (vi) A statement that the professions, vocations or occupations relied upon to support the proposed ballot designation constitute the primary, main or leading professions, vocations or occupations of the candidate, in accordance with the definition of the term "principal" as set forth at Section 20714, subdivision (b).
  - (D) If the candidate submits a ballot designation pursuant to Elections Code Section 13107, subdivision (a)(4), the candidate shall indicate the date on which he or she was appointed to the office for which he or she is an appointed incumbent.

(d) The candidate may attach or append any supporting documents or other exhibits to his or her Ballot Designation Worksheet which he or she believes support his or her proposed ballot designation. Such attached documents or other exhibits shall be deemed to be incorporated by reference as part of the candidate's Ballot Designation Worksheet and shall be considered as such by the Secretary of State.

(e) If a candidate requests a change of his or her ballot designation pursuant to Elections Code Section 13107(e), that request shall be accompanied by a Ballot Designation Worksheet.

**CITY OF WESTMINSTER CANDIDATE STATEMENT  
PAYMENT AGREEMENT**

PRINTING AND HANDLING OF THE CANDIDATE'S STATEMENT

TO: CITY CLERK, CITY OF WESTMINSTER

I, \_\_\_\_\_, am a candidate for the office of Mayor/Member of the City Council, at the election to be held November 8, 2016; I desire to avail myself of the benefit of Elections Code, Section 13307, regarding filing by candidates for elective offices in local agencies, cities, counties and districts of a statement of qualifications.

I understand that, pursuant to law, the City Council of the City of Westminster has determined that such candidates desiring to utilize these services shall pay to the City of Westminster the actual prorated costs of printing and handling such statements, which will be printed in compliance with the language provisions of the National Voter Registration Act.

I have been informed that the cost of the Statement of Qualifications will be approximately \$917.00. Upon request, the Office of the Registrar of Voters will make available a Spanish, Vietnamese, Chinese or Korean translation to a voter. A deposit for the appropriate amount is transmitted herewith.

I agree that if the cost exceeds the estimated amount, I will pay the balance to the City of Westminster within 30 days following notification of the amount due and if the City of Westminster thereafter commences legal action against me for the recovery of said amount, I agree to pay all costs of such action, including a reasonable attorney's fee in an amount to be fixed by the Court.

The cost estimate in this agreement is for the Candidate's Statement.

Any notice or billing pertaining to my statement of qualifications shall be mailed to me at the address set forth below and shall be deemed completed upon deposit in the United States mail, so addressed, first-class postage prepaid.

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Signature of Candidate)

\_\_\_\_\_  
(Typed or printed name of Candidate)

\_\_\_\_\_  
(Typed or printed mailing address of Candidate)

# Receipt for Payment

Received from \_\_\_\_\_ on \_\_\_\_\_, 2016,  
(Candidate Name) (Date)

In the amount of \$917.00 [\_\_\_\_\_] as payment for the  
- (Check No.)

**estimated pro rata share of the cost of printing, handling,  
translating, and mailing the candidate statement for the office of:**

\_\_\_\_\_  
(City Council or Mayor)

## Notice

*The estimated pro rata share is an approximation of the actual cost that varies from one election to another and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements. Accordingly, the City Clerk is not bound by the estimate and will, on a pro rate basis, bill the candidate for additional actual expense or refund any excess paid depending on the final actual costs. In the event of underpayment, the City Clerk will require the candidate to pay the balance of the cost incurred. In the event of overpayment, the City Clerk shall prorate the excess amount among the candidates and refund the excess amount paid.*

By \_\_\_\_\_

\_\_\_\_\_  
Title

**WAIVER  
CANDIDATE'S STATEMENT  
GENERAL MUNICIPAL ELECTION  
NOVEMBER 8, 2016**

I HEREBY ACKNOWLEDGE that I may prepare and submit a Candidate's Statement to be mailed to voters with the sample ballots. I do not elect to file a Candidate's Statement.

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Signature of Candidate

## CHECKLIST OF ITEMS TO BE RETURNED

*TO THE CITY CLERK WHEN FILING AS A CANDIDATE*

- ✓ Nomination Papers
- ✓ Ballot Designation Worksheet
- ✓ Candidate's Statement of Qualifications (if Candidate desires to have this printed in the Voters' Pamphlet)
- ✓ Candidate's Statement Payment Agreement with Payment
- ✓ Form 700 – Statement of Economic Interests
- ✓ Fair Campaign Practice Code (voluntary)

**2015/2016  
Form 700  
Statement of  
Economic Interests**



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**Reference  
Pamphlet**

**California Fair Political Practices Commission**

428 J Street, Suite 620 • Sacramento, CA 95814

Email Advice: [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov)

Toll-free advice line: 1 (866) ASK-FPPC • (866) 275-3772

Telephone: (916) 322-5660 • Website: [www.fppc.ca.gov](http://www.fppc.ca.gov)

# Contents

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- Who Must File ..... Page 3
- Types of Form 700 Filings..... Page 4
- Where to File..... Page 5
- When to File..... Page 7
- Terms & Definitions ..... Page 8

## What's New

### Gifts of Travel

Effective January 1, 2016, if an individual receives a travel payment that is reportable as a gift, he or she must disclose the travel destination. (See the Form 700 Schedule E instructions for information about other details that must be disclosed.) This applies to travel taken on or after January 1, 2016. An individual who is filing a 2015 annual statement is not required to disclose the travel destination, but may do so.

# Who Must File

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## **1. Officials and Candidates Specified in Gov. Code Section 87200 and Members of Boards and Commissions of Newly Created Agencies**

The Act requires the following individuals to fully disclose their personal assets and income described in Form 700, Statement of Economic Interests:

### State Offices

- Governor
- Lieutenant Governor
- Attorney General
- Controller
- Insurance Commissioner
- Secretary of State
- Treasurer
- Members of the State Legislature
- Superintendent of Public Instruction
- State Board of Equalization Members
- Public Utilities Commissioners
- State Energy Resources Conservation and Development Commissioners
- State Coastal Commissioners
- Fair Political Practices Commissioners
- State public officials (including employees and consultants) who manage public investments
- Elected members of and candidates for the Board of Administration of the California Public Employees' Retirement System
- Elected members of and candidates for the Teachers' Retirement Board
- Members of the High Speed Rail Authority

Other officials and employees of state boards, commissions, agencies, and departments file Form 700 as described in Part 2 on this page.

### Judicial Offices

- Supreme, Appellate, and Superior Court Judges
- Court Commissioners
- Retired Judges, Pro-Tem Judges, and part-time Court Commissioners who serve or expect to serve 30 days or more in a calendar year

### County and City Offices

- Members of Boards of Supervisors
- Mayors and Members of City Councils
- Chief Administrative Officers
- District Attorneys
- County Counsels
- City Attorneys
- City Managers
- Planning Commissioners
- County and City Treasurers
- County and city public officials (including employees and consultants) who manage public investments

### Members of Boards and Commissions of Newly Created Agencies

Members must fully disclose their investments, interests in real property, business positions, and income (including loans, gifts, and travel payments) until the positions are covered under a conflict of interest code.

## **2. State and Local Officials, Employees, Candidates, and Consultants Designated in a Conflict of Interest Code ("Code Filers")**

The Act requires every state and local government agency to adopt a unique conflict of interest code. The code lists each position within the agency filled by individuals who make or participate in making governmental decisions that could affect their personal economic interests.

The code requires individuals holding those positions to periodically file Form 700 disclosing certain personal economic interests as determined by the code's "disclosure categories." These individuals are called "designated employees" or "code filers."

Obtain your disclosure categories from your agency – they are not contained in the Form 700. Persons with broad decisionmaking authority must disclose more interests than those in positions with limited discretion. For example, you may be required to disclose only investments and business positions in or income (including loans, gifts, and travel payments) from businesses of the type that contract with your agency, or you may not be required to disclose real property interests.

In addition, certain consultants to public agencies may qualify as public officials because they make, participate in making, or act in a staff capacity for governmental decisions. Agencies determine who is a consultant and the level of disclosure and may use Form 805.

Note: An official who holds a position specified in Gov. Code Section 87200 is not required to file statements under the conflict of interest code of any agency that has the same or a smaller jurisdiction (for example, a state legislator who also sits on a state or local board or commission).

### Employees in Newly Created Positions of Existing Agencies

An individual hired for a position not yet covered under an agency's conflict of interest code must file Form 700 if the individual serves in a position that makes or participates in making governmental decisions. These individuals must file under the agency's broadest disclosure category until the code is amended to include the new position unless the agency has provided in writing a limited disclosure requirement. The Form 804 may be used to satisfy this requirement.

# Types of Form 700 Filings

## Assuming Office Statement:

If you are a newly appointed official or are newly employed in a position designated, or that will be designated, in a state or local agency's conflict of interest code, your assuming office date is the date you were sworn in or otherwise authorized to serve in the position. If you are a newly elected official, your assuming office date is the date you were sworn in.

- Investments, interests in real property, and business positions held on the date you assumed the office or position must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the office or position is reportable.

For positions subject to confirmation by the State Senate or the Commission on Judicial Performance, your assuming office date is the date you were appointed or nominated to the position.

## Example:

Maria Lopez was nominated by the Governor to serve on a state agency board that is subject to state Senate confirmation. The assuming office date is the date Maria's nomination is submitted to the Senate. Maria must report investments, interests in real property, and business positions she holds on that date, and income (including loans, gifts, and travel payments) received during the 12 months prior to that date.

If your office or position has been added to a newly adopted or newly amended conflict of interest code, use the effective date of the code or amendment, whichever is applicable.

- Investments, interests in real property, and business positions held on the effective date of the code or amendment must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment is reportable.

## Annual Statement:

Generally, the period covered is January 1, 2015, through December 31, 2015. If the period covered by the statement is different than January 1, 2015, through December 31, 2015, (for example, you assumed office between October 1, 2014, and December 31, 2014, or you are combining statements), you must specify the period covered.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2015.

- If your disclosure category changes during a reporting period, disclose under the old category until the effective date of the conflict of interest code amendment and disclose under the new disclosure category through the end of the reporting period.

## Leaving Office Statement:

Generally, the period covered is January 1, 2015, through the date you stopped performing the duties of your position. If the period covered differs from January 1, 2015, through the date you stopped performing the duties of your position (for example, you assumed office between October 1, 2014, and December 31, 2014, or you are combining statements), the period covered must be specified. The reporting period can cover parts of two calendar years.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2015.

## Candidate Statement:

If you are filing a statement in connection with your candidacy for state or local office, investments, interests in real property, and business positions held on the date of filing your declaration of candidacy must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date of filing your declaration of candidacy is reportable. Do not change the preprinted dates on Schedules A-1, A-2, and B.

Candidates running for local elective offices (e.g., county sheriffs, city clerks, school board trustees, or water district board members) must file candidate statements, as required by the conflict of interest code for the elected position. The code may be obtained from the agency of the elected position.

## Amendments:

If you discover errors or omissions on any statement, file an amendment as soon as possible. You are only required to amend the schedule that needs to be revised; it is not necessary to refile the entire form. Obtain amendment schedules from the FPPC website at [www.fppc.ca.gov](http://www.fppc.ca.gov).

# Where to File

## 1. Officials Specified in Gov. Code Section 87200 (See Reference Pamphlet, page 3):

In most cases, the filing officials listed below will retain a copy of your statement and forward the original to the FPPC.

Filers	Where to File
<b>87200 Filers</b>	
State offices	Your agency
Judicial offices	The clerk of your court
Retired Judges	Directly with FPPC
County offices	Your county filing official
City offices	Your city clerk
Multi-County offices	Your agency
<b>87200 Candidates</b>	
State offices	County elections official with whom you file your declaration of candidacy
Judicial offices	
Multi-County offices	
County offices	County elections official
City offices	City Clerk
Public Employees' Retirement System (CalPERS)	CalPERS
State Teachers' Retirement Board (CalSTRS)	CalSTRS

**Note:** Individuals that invest public funds for a city or county agency must file Form 700 with the agency. Unlike most other 87200 filers, the original statement will **not** be forwarded to the FPPC pursuant to Regulation 18753.

## 2. Code Filers — State and Local Officials, Employees, Candidates, and Consultants Designated in a Conflict of Interest Code:

File with your agency, board, or commission unless otherwise specified in your agency's conflict of interest code. In most cases, the agency, board, or commission will retain the statements.

Candidates for local elective offices designated in a conflict of interest code file with the elections office where the declaration of candidacy or other nomination documents are filed.

## 3. Members of Boards and Commissions of Newly Created Agencies:

File with your newly created agency or with your agency's code reviewing body as provided by your code reviewing body.

State Senate and Assembly staff members file statements directly with the FPPC.

Exceptions:

- Elected state officers are not required to file statements under any agency's conflict of interest code.
- Filers listed in Section 87200 are not required to file statements under any agency's conflict of interest code in the same jurisdiction. For example, a county supervisor who is appointed to serve in an agency with jurisdiction in the same county has no additional filing obligations.

## 4. Positions Not Yet Covered Under a Conflict of Interest Code

An individual hired for a position not yet covered under an agency's conflict of interest code must file Form 700 if the individual serves in a position that makes or participates in making governmental decisions. These individuals must file under the broadest disclosure category until the code is amended to include the new position unless the agency has provided in writing a limited disclosure requirement. Agencies may use FPPC Form 804 for this disclosure. Such individuals are referred to as "code filers." See Regulation 18734.

# When to File

## Assuming Office Statements:

Filer	Deadline
Elected officials	30 days after assuming office
Appointed positions specified in Gov. Code Section 87200  <b>or</b> Newly created board and commission members not covered by a conflict of interest code	30 days after assuming office  <b>or</b> 10 days after appointment or nomination if subject to Senate or judicial confirmation
Other appointed positions (including those held by newly-hired employees) that are or will be designated in a conflict of interest code	30 days after assuming office (30 days after appointment or nomination if subject to Senate confirmation)
Positions newly added to a new or amended conflict of interest code	30 days after the effective date of the code or code amendment

### Exceptions:

- Elected state officers who assume office in December or January are not required to file an assuming office statement, but will file the next annual statement due.
- If you complete a term of office and, within 30 days, begin a new term of the same office (for example, you are reelected or reappointed), you are not required to file an assuming office statement. Instead, you will simply file the next annual statement due.
- If you leave an office specified in Gov. Code Section 87200 and, within 45 days, you assume another office or position specified in Section 87200 that has the same jurisdiction (for example, a city planning commissioner elected as mayor), you are not required to file an assuming office statement. Instead, you will simply file the next annual statement due.
- If you transfer from one designated position to another designated position within the same agency, contact your filing officer or the FPPC to determine your filing obligations.

Late statements are subject to a late fine of \$10 per day per position up to \$100 for each day the statement is late.

## Annual Statements:

- Elected state officers (including members of the state legislature, members elected to the Board of Administration of the California Public Employees' Retirement System and members elected to the Teachers' Retirement Board);  
Judges and court commissioners; and  
Members of state boards and commissions specified in Gov. Code Section 87200:  
File no later than **Tuesday, March 1, 2016.**
- County and city officials specified in Gov. Code Section 87200:  
File no later than **Friday, April 1, 2016.**
- Multi-County officials:  
File no later than **Friday, April 1, 2016.**
- State and local officials and employees designated in a conflict of interest code:  
File on the date prescribed in the code (April 1 for most filers).

### Exception:

If you assumed office between October 1, 2015, and December 31, 2015, and filed an assuming office statement, you are not required to file an annual statement until March 1, 2017, or April 3, 2017, whichever is applicable. The annual statement will cover the day after you assumed office through December 31, 2016.

Incumbent officeholders who file candidate statements also must file annual statements by the specified deadlines.

## When to File - (continued)

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### Leaving Office Statements:

Leaving office statements must be filed no later than 30 days after leaving the office or position.

Exceptions:

- If you complete a term of office and, within 30 days, begin a new term of the same office (for example, you are reelected or reappointed), you are not required to file a leaving office statement. Instead, you will simply file the next annual statement due.
- If you leave an office specified in Gov. Code Section 87200 and, within 45 days, you assume another office or position specified in Section 87200 that has the same jurisdiction (for example, a city planning commissioner elected as mayor), you are not required to file a leaving office statement. Instead, you will simply file the next annual statement due.
- If you transfer from one designated position to another designated position within the same agency, contact your filing officer or the FPPC to determine your filing obligations.

### Candidate Statements:

All candidates (including incumbents) for offices specified in Gov. Code Section 87200 must file statements no later than the final filing date for their declaration of candidacy.

Candidates seeking a position designated in a conflict of interest code must file no later than the final filing date for the declaration of candidacy or other nomination documents.

Exception:

A candidate statement is not required if you filed any statement (other than a leaving office statement) for the same jurisdiction **within 60 days** before filing a declaration of candidacy or other nomination documents.

# Terms & Definitions

The instructions located on the back of each schedule describe the types of interests that must be reported. The purpose of this section is to explain other terms used in Form 700 that are not defined in the instructions to the schedules or elsewhere.

**Blind Trust:** See Trusts, Reference Pamphlet, page 16.

**Business Entity:** Any organization or enterprise operated for profit, including a proprietorship, partnership, firm, business trust, joint venture, syndicate, corporation, or association. This would include a business for which you take business deductions for tax purposes (for example, a small business operated in your home).

**Code Filer:** An individual who has been designated in a state or local agency's conflict of interest code to file statements of economic interests.

An individual hired on or after January 1, 2010 for a position not yet covered under an agency's conflict of interest code must file Form 700 if the individual serves in a position that makes or participates in making governmental decisions. These individuals must file under the broadest disclosure category until the code is amended to include the new position unless the agency has provided in writing a limited disclosure requirement. Agencies may use FPPC Form 804 for such disclosure. See Regulation 18734.

**Commission Income:** "Commission income" means gross payments of \$500 or more received during the period covered by the statement as a broker, agent, or salesperson, including insurance brokers or agents, real estate brokers or agents, travel agents or salespersons, stockbrokers, and retail or wholesale salespersons, among others.

In addition, you may be required to disclose the names of sources of commission income if your pro rata share of the gross income was \$10,000 or more from a single source during the reporting period. If your spouse or registered domestic partner received commission income, you would disclose your community property share (50%) of that income (that is, the names of sources of \$20,000 or more in gross commission income received by your spouse or registered domestic partner).

Report commission income as follows:

- If the income was received through a business entity in which you and your spouse or registered domestic partner had a 10% or greater ownership interest (or if you receive commission income on a regular basis as an independent contractor or agent), use Schedule A-2.
- If the income was received through a business entity in which you or your spouse or registered domestic partner **did not receive commission income on a regular basis** or you had a less than 10% ownership interest, use Schedule C.

The "source" of commission income generally includes all parties to a transaction, and each is attributed the full value of the commission.

Examples:

- You are a partner in Smith and Jones Insurance Company and have a 50% ownership interest in the company. You sold two Businessmen's Insurance Company policies to XYZ Company during the reporting period. You received commission income of \$5,000 from the first transaction and \$6,000 from the second. On Schedule A-2, report your partnership interest in and income received from Smith and Jones Insurance Company in Parts 1 and 2. In Part 3, list both Businessmen's Insurance Company and XYZ Company as sources of \$10,000 or more in commission income.
- You are a stockbroker for Prince Investments, but you have no ownership interest in the firm. You receive commission income on a regular basis through the sale of stock to clients. Your total gross income from your employment with Prince Investments was over \$100,000 during the reporting period. On Schedule A-2, report your name as the name of the business entity in Part 1 and the gross income you have received in Part 2. (Because you are an employee of Prince Investments, you do not need to complete the information in the box in Part 1 indicating the general description of business activity, fair market value, or nature of investment.) In Part 3, list Prince Investments and the names of any clients who were sources of \$10,000 or more in commission income to you.
- You are a real estate agent and an independent contractor under Super Realty. On Schedule A-2, Part 1, in addition to your name or business name, complete the business entity description box. In Part 2, identify your gross income. In Part 3, for each transaction that resulted in commission income to you of \$10,000 or more, you must identify the brokerage entity, each person you represented, and any person who received a finder's or other referral fee for referring a party to the transaction to the broker.

Note: If your pro rata share of commission income from a single source is \$500 or more, you may be required to disqualify yourself from decisions affecting that source of income, even though you are not required to report the income. *For information regarding disclosure of "incentive compensation," see Reference Pamphlet, page 12.*

## Terms & Definitions - (continued)

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**Conflict of Interest:** A public official or employee has a conflict of interest under the Act when all of the following occur:

- The official makes, participates in making, or uses his or her official position to influence a governmental decision;
- It is reasonably foreseeable that the decision will affect the official's economic interest;
- The effect of the decision on the official's economic interest will be material; and
- The effect of the decision on the official's economic interest will be different than its effect on the public generally.

**Conflict of Interest Code:** The Act requires every state and local government agency to adopt a conflict of interest code. The code may be contained in a regulation, policy statement, or a city or county ordinance, resolution, or other document.

An agency's conflict of interest code must designate all officials and employees of, and consultants to, the agency who make or participate in making governmental decisions that could cause conflicts of interest. These individuals are required by the code to file statements of economic interests and to disqualify themselves when conflicts of interest occur.

The disclosure required under a conflict of interest code for a particular designated official or employee should include only the kinds of personal economic interests he or she could significantly affect through the exercise of his or her official duties. For example, an employee whose duties are limited to reviewing contracts for supplies, equipment, materials, or services provided to the agency should be required to report only those interests he or she holds that are likely to be affected by the agency's contracts for supplies, equipment, materials, or services.

**Consultant:** An individual who contracts with or whose employer contracts with state or local government agencies and who makes, participates in making, or acts in a staff capacity for making governmental decisions. The agency determines who is a consultant. Consultants may be required to file Form 700. Such consultants would file under full disclosure unless the agency provides in writing a limited disclosure requirement. Agencies may use FPPC Form 805 to assign such disclosure. The obligation to file Form 700 is always imposed on the individual who is providing services to the agency, not on the business or firm that employs the individual.

FPPC Regulation 18700.3 defines "consultant" as an individual who makes a governmental decision whether to:

- Approve a rate, rule, or regulation
- Adopt or enforce a law
- Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement
- Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval
- Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract
- Grant agency approval to a plan, design, report, study, or similar item
- Adopt, or grant agency approval of, policies, standards, or guidelines for the agency or for any of its subdivisions

A consultant also is an individual who serves in a staff capacity with the agency and:

- participates in making a governmental decision; or
- performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's conflict of interest code.

**Designated Employee:** An official or employee of a state or local government agency whose position has been designated in the agency's conflict of interest code to file statements of economic interests or whose position has not yet been listed in the code but makes or participates in making governmental decisions. Individuals who contract with government agencies (consultants) may also be designated in a conflict of interest code.

A federal officer or employee serving in an official federal capacity on a state or local government agency is not a designated employee.

**Disclosure Categories:** The section of an agency's conflict of interest code that specifies the types of personal economic interests officials and employees of the agency must disclose on their statements of economic interests. Disclosure categories are usually contained in an appendix or attachment to the conflict of interest code. Contact your agency to obtain a copy of your disclosure categories.

## Terms & Definitions - (continued)

**Diversified Mutual Fund:** Diversified portfolios of stocks, bonds, or money market instruments that are managed by investment companies whose business is pooling the money of many individuals and investing it to seek a common investment goal. Mutual funds are managed by trained professionals who buy and sell securities. A typical mutual fund will own between 75 to 100 separate securities at any given time so they also provide instant diversification. *Only diversified mutual funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 are exempt from disclosure.* In addition, Regulation 18237 provides an exception from reporting other funds that are similar to diversified mutual funds. See Reference Pamphlet, page 13.

**Elected State Officer:** Elected state officers include the Governor, Lieutenant Governor, Attorney General, Insurance Commissioner, State Controller, Secretary of State, State Treasurer, Superintendent of Public Instruction, members of the State Legislature, members of the State Board of Equalization, elected members of the Board of Administration of the California Public Employees' Retirement System and members elected to the Teachers' Retirement Board.

**Enforcement:** The FPPC investigates suspected violations of the Act. Other law enforcement agencies (the Attorney General or district attorney) also may initiate investigations under certain circumstances. If violations are found, the Commission may initiate administrative enforcement proceedings that could result in fines of up to \$5,000 per violation.

Instead of administrative prosecution, a civil action may be brought for negligent or intentional violations by the appropriate civil prosecutor (the Commission, Attorney General, or district attorney), or a private party residing within the jurisdiction. In civil actions, the measure of damages is up to the amount or value not properly reported.

Persons who violate the conflict of interest disclosure provisions of the Act also may be subject to agency discipline, including dismissal.

Finally, a knowing or willful violation of any provision of the Act is a misdemeanor. Persons convicted of a misdemeanor may be disqualified for four years from the date of the conviction from serving as a lobbyist or running for elective office, in addition to other penalties that may be imposed. The Act also provides for numerous civil penalties, including monetary penalties and damages, and injunctive relief from the courts.

**Expanded Statement:** Some officials or employees may have multiple filing obligations (for example, a city council member who also holds a designated position with a county agency, board, or commission). Such officials or employees may complete one expanded statement covering the disclosure requirements for all positions and file a complete, originally signed copy with each agency.

**Fair Market Value:** When reporting the value of an investment, interest in real property, or gift, you must disclose the fair market value – the price at which the item would sell for on the open market. This is particularly important when valuing gifts, because the fair market value of a gift may be different from the amount it cost the donor to provide the gift. For example, the wholesale cost of a bouquet of flowers may be \$10, but the fair market value may be \$25 or more. In addition, there are special rules for valuing free tickets and passes. Call or email the FPPC for assistance.

### Gift and Honoraria Prohibitions

#### Gifts:

State and local officials who are listed in Gov. Code Section 87200 (except judges – see below), candidates for these elective offices (including judicial candidates), and officials and employees of state and local government agencies who are designated in a conflict of interest code are prohibited from accepting a gift or gifts totaling more than \$460 in a calendar year from a single source during 2015-2016.

In addition, elected state officers, candidates for elective state offices, and officials and employees of state agencies are subject to a \$10 per calendar month limit on gifts from lobbyists and lobbying firms registered with the Secretary of State.

#### Honoraria:

State and local officials who are listed in Gov. Code Section 87200 (except judges – see below), candidates for these elective offices (including judicial candidates), and employees of state and local government agencies who are designated in a conflict of interest code are prohibited from accepting honoraria for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering.

## Terms & Definitions - (continued)

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### Exceptions:

- Some gifts are not reportable or subject to the gift and honoraria prohibitions, and other gifts may not be subject to the prohibitions, but are reportable. For detailed information, see the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans," which can be obtained from your filing officer or the FPPC website ([www.fppc.ca.gov](http://www.fppc.ca.gov)).
- The \$460 gift limit and the honorarium prohibition do not apply to a part-time member of the governing board of a public institution of higher education, unless the member is also an elected official.
- If you are designated in a state or local government agency's conflict of interest code, the \$460 gift limit and honorarium prohibition are applicable only to sources you would otherwise be required to report on your statement of economic interests. However, this exception is not applicable if you also hold a position listed in Gov. Code Section 87200 (See Reference Pamphlet, page 3.)
- For state agency officials and employees, the \$10 lobbyist/lobbying firm gift limit is applicable only to lobbyists and lobbying firms registered to lobby your agency. This exception is not applicable if you are an elected state officer or a member or employee of the State Legislature.
- Payments for articles published as part of the practice of a bona fide business, trade, or profession, such as teaching, are not considered honoraria. A payment for an "article published" that is customarily provided in connection with teaching includes text book royalties and payments for academic tenure review letters. An official is presumed to be engaged in the bona fide profession of teaching if he or she is employed to teach at an accredited university.

### Judges:

Section 170.9 of the Code of Civil Procedure imposes gift limits on judges and prohibits judges from accepting any honorarium. Section 170.9 is enforced by the Commission on Judicial Performance. The FPPC has no authority to interpret or enforce the Code of Civil Procedure. Court commissioners are subject to the gift limit under the Political Reform Act.

**Income Reporting:** Reporting income under the Act is different than reporting income for tax purposes. The Act requires **gross** income (the amount received before deducting losses, expenses, or taxes, as well as income reinvested in a business entity) to be reported.

**Pro Rata Share:** The instructions for reporting income refer to your pro rata share of the income received. Your pro rata share is normally based on your ownership interest in the entity or property. For example, if you are a sole proprietor, you must disclose 100% of the gross income to the business entity on Schedule A-2. If you own 25% of a piece of rental property, you must report 25% of the gross rental income received. When reporting your community property interest in your spouse's or registered domestic partner's income, your pro rata share is 50% of his or her income.

**Separate Property Agreement:** Generally, a public official is required to disclose his or her community property share of his or her spouse's income. But, when a public official and his or her spouse have a legally separate property agreement (e.g., prenuptial agreement), the official is not required to report the spouse's community property share of income, unless the funds are commingled with community funds or used to pay for community expenses or to produce or enhance the separate income of the official.

**Note:** This reporting exception does not apply to investments and interests in real property. Even if a public official and his or her spouse have a separate property agreement, the spouse's investments and interests in real property must still be disclosed because the definitions of reportable investments and interests in real property include those held by the official's immediate family (spouse, registered domestic partner, and dependent children). These definitions are not dependent on community property law.

**Income to a Business Entity:** When you are required to report sources of income to a business entity, sources of rental income, or sources of commission income, you are only required to disclose individual sources of income of \$10,000 or more. However, you may be required to **disqualify** yourself from decisions affecting sources of \$500 or more in income, even though you are not required to report them.

### Examples:

- Alice Ruiz is a partner in a business entity. She has a 25% interest. On Schedule A-2, she must disclose 25% of the fair market value of the business entity; 25% of the gross income to the business entity (even though all of the income received was reinvested in the business and she did not personally receive any income from the business); and the name of each source of \$40,000 or more to the business.

## Terms & Definitions - (continued)

- Cynthia and Mark Johnson, a married couple, own Classic Autos. Income to this business was \$200,000. In determining the amount to report for income on Schedule A-2, Part 2, Mark must include his 50% share (\$100,000) and 50% of his spouse's share (\$50,000). Thus, his reportable income would be \$150,000 and he will check the box indicating \$100,001-\$1,000,000. (Also see Reference Pamphlet, page 13, for an example of how to calculate the value of this investment.)

### You are **not** required to report:

- Salary, reimbursement for expenses or per diem, social security, disability, or other similar benefit payments received by you or your spouse or registered domestic partner from a federal, state, or local government agency
- A travel payment that was received from a non-profit entity exempt from taxation under Internal Revenue Code Section 501(c)(3) for which you provided equal or greater consideration, such as reimbursement for travel on business for a 501(c)(3) organization for which you are a board member.
- Campaign contributions
- A cash bequest or cash inheritance
- Returns on a security registered with the Securities and Exchange Commission, including dividends, interest, or proceeds from a sale of stocks or bonds
- Redemption of a mutual fund
- Payments received under an insurance policy, including an annuity
- Interest, dividends, or premiums on a time or demand deposit in a financial institution, shares in a credit union, an insurance policy, or a bond or other debt instrument issued by a government agency
- Your spouse's or registered domestic partner's income that is legally "separate" income so long as the funds are not commingled with community funds or used to pay community expenses
- Income of dependent children
- Automobile trade-in allowances from dealers
- Loans and loan repayments received from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin unless he or she was acting as an intermediary or agent for any person not covered by this provision
- Alimony or child support payments
- Payments received under a defined benefit pension plan qualified under Internal Revenue Code Section 401(a)

- Any loan from a commercial lending institution made in the lender's regular course of business on terms available to the public without regard to your official status
- Any retail installment or credit card debts incurred in the creditor's regular course of business on terms available to the public without regard to your official status
- Loans made to others. However, repayments may be reportable on Schedule C
- A loan you co-signed for another person unless you made payments on the loan during the reporting period

**Incentive Compensation:** "Incentive compensation" means income over and above salary that is either ongoing or cumulative, or both, as sales or purchases of goods or services accumulate. Incentive compensation is calculated by a predetermined formula set by the official's employer which correlates to the conduct of the purchaser in direct response to the effort of the official.

Incentive compensation does not include:

- Salary
- Commission income (*For information regarding disclosure of "commission income," see Reference Pamphlet, page 8.*)
- Bonuses for activity not related to sales or marketing, the amount of which is based solely on merit or hours worked over and above a predetermined minimum
- Executive incentive plans based on company performance, provided that the formula for determining the amount of the executive's incentive income does not include a correlation between that amount and increased profits derived from increased business with specific and identifiable clients or customers of the company
- Payments for personal services which are not marketing or sales

The purchaser is a source of income to the official if all three of the following apply:

- the official's employment responsibilities include directing sales or marketing activity toward the purchaser; and
- there is direct personal contact between the official and the purchaser intended by the official to generate sales or business; and
- there is a direct relationship between the purchasing activity of the purchaser and the amount of the incentive compensation received by the official.

## Terms & Definitions - (continued)

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Report incentive compensation as follows:

- In addition to salary, reimbursement of expenses, and other income received from your employer, separately report on Schedule C the name of each person who purchased products or services sold, marketed or represented by you if you received incentive compensation of \$500 or more attributable to the purchaser during the period covered by the statement.
- If incentive compensation is paid by your employer in a lump sum, without allocation of amounts to specific customers, you must determine the amount of incentive compensation attributable to each of your customers. This may be based on the volume of sales to those customers.

(See Regulations 18700.1 and 18728.5 for more information.)

**Investment Funds:** The term "investment" no longer includes certain exchange traded funds, closed-end funds, or funds held in an Internal Revenue Code qualified plan. These non-reportable investment funds (1) must be bona fide investment funds that pool money from more than 100 investors, (2) must hold securities of more than 15 issuers, and (3) cannot have a stated policy of concentrating their holdings in the same industry or business ("sector funds"). In addition, the filer may not influence or control the decision to purchase or sell the specific fund on behalf of his or her agency during the reporting period or influence or control the selection of any specific investment purchased or sold by the fund. (Regulation 18237)

**Investments and Interests in Real Property:** When disclosing investments on Schedules A-1 or A-2 and interests in real property on Schedules A-2 or B, you must include investments and interests in real property held by your spouse or registered domestic partner, and those held by your dependent children, as if you held them directly.

Examples:

- Terry Pearson, her husband, and two dependent children each own \$600 in stock in General Motors. Because the total value of their holdings is \$2,400, Terry must disclose the stock as an investment on Schedule A-1.
- Cynthia and Mark Johnson, a married couple, jointly own Classic Autos. Mark must disclose Classic Autos as an investment on Schedule A-2. To determine the reportable value of the investment, Mark will aggregate the value of his 50% interest and Cynthia's 50% interest. Thus, if the total value of the business entity is \$150,000, he will check the box \$100,001 - \$1,000,000 in Part 1 of Schedule A-2. (Also see Reference Pamphlet, page 11, for an example of how to calculate reportable income.)

The Johnsons also own the property where Classic Autos is located. To determine the reportable value of the real property, Mark will again aggregate the value of his 50% interest and Cynthia's 50% interest to determine the amount to report in Part 4 of Schedule A-2.

- Katie Smith rents out a room in her home. She receives \$6,000 a year in rental income. Katie will report the fair market value of the rental portion of her residence and the income received on Schedule B.

**Jurisdiction:** Report discloseable investments and sources of income (including loans, gifts, and travel payments) that are either located in or doing business in your agency's jurisdiction, are planning to do business in your agency's jurisdiction, or have done business during the previous two years in your agency's jurisdiction, and interests in real property located in your agency's jurisdiction.

A business entity is doing business in your agency's jurisdiction if the entity has business contacts on a regular or substantial basis with a person who maintains a physical presence in your jurisdiction.

Business contacts include, but are not limited to, manufacturing, distributing, selling, purchasing, or providing services or goods. Business contacts do not include marketing via the Internet, telephone, television, radio, or printed media.

The same criteria are used to determine whether an individual, organization, or other entity is doing business in your jurisdiction.

Exception:

Gifts are reportable regardless of the location of the donor. For example, a state agency official with full disclosure must report gifts from sources located outside of California. (Designated employees/code filers should consult their disclosure categories to determine if the donor of a gift is of the type that must be disclosed.)

When reporting interests in real property, if your jurisdiction is the state, you must disclose real property located within the state of California unless your agency's conflict of interest code specifies otherwise.

For local agencies, an interest in real property is located in your jurisdiction if any part of the property is located in, or within two miles of, the region, city, county, district, or other geographical area in which the agency has jurisdiction, or if the property is located within two miles of any land owned or used by the agency.

## Terms & Definitions - (continued)

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See the following explanations to determine what your jurisdiction is:

**State Offices and All Courts:** Your jurisdiction is the state if you are an elected state officer, a state legislator, or a candidate for one of these offices. Judges, judicial candidates, and court commissioners also have statewide jurisdiction. (*In re Baty* (1979) 5 FPPC Ops. 10) If you are an official or employee of, or a consultant to, a state board, commission, or agency, or of any court or the State Legislature, your jurisdiction is the state.

**County Offices:** Your jurisdiction is the county if you are an elected county officer, a candidate for county office, or if you are an official or employee of, or a consultant to, a county agency or any agency with jurisdiction solely within a single county.

**City Offices:** Your jurisdiction is the city if you are an elected city officer, a candidate for city office, or you are an official or employee of, or a consultant to, a city agency or any agency with jurisdiction solely within a single city.

**Multi-County Offices:** If you are an elected officer, candidate, official or employee of, or a consultant to a multi-county agency, your jurisdiction is the region, district, or other geographical area in which the agency has jurisdiction. (Example: A water district has jurisdiction in a portion of two counties. Members of the board are only required to report interests located or doing business in that portion of each county in which the agency has jurisdiction.)

**Other (for example, school districts, special districts and JPAs):** If you are an elected officer, candidate, official or employee of, or a consultant to an agency not covered above, your jurisdiction is the region, district, or other geographical area in which the agency has jurisdiction. See the multi-county example above.

**Leasehold Interest:** The term "interest in real property" includes leasehold interests. An interest in a lease on real property is reportable if the value of the leasehold interest is \$2,000 or more. The value of the interest is the total amount of rent owed by you during the reporting period or, for a candidate or assuming office statement, during the prior 12 months.

You are not required to disclose a leasehold interest with a value of less than \$2,000 or a month-to-month tenancy.

**Loan Reporting:** Filers are not required to report loans from commercial lending institutions or any indebtedness created as part of retail installment or credit card transactions that are made in the lender's regular course of business, without regard to official status, on terms available to members of the public.

**Loan Restrictions:** State and local elected and appointed public officials are prohibited from receiving any personal loan totaling more than \$250 from an official, employee, or

consultant of their government agencies or any government agency over which the official or the official's agency has direction or control. In addition, loans of more than \$250 from any person who has a contract with the official's agency or an agency under the official's control are prohibited unless the loan is from a commercial lending institution or part of a retail installment or credit card transaction made in the regular course of business on terms available to members of the public.

State and local elected officials are also prohibited from receiving any personal loan of \$500 or more unless the loan agreement is in writing and clearly states the terms of the loan, including the parties to the loan agreement, the date, amount, and term of the loan, the date or dates when payments are due, the amount of the payments, and the interest rate on the loan.

Campaign loans and loans from family members are not subject to the \$250 and \$500 loan prohibitions.

A personal loan made to a public official that is not being repaid or is being repaid below certain amounts will become a gift to the official under certain circumstances. Contact the FPPC for further information, or see the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans," which can be obtained from your filing officer or the FPPC website ([www.fppc.ca.gov](http://www.fppc.ca.gov)).

**Privileged Information:** FPPC Regulation 18740 sets out specific procedures that must be followed in order to withhold the name of a source of income. Under this regulation, you are not required to disclose on Schedule A-2, Part 3, the name of a person who paid fees or made payments to a business entity if disclosure of the name would violate a legally recognized privilege under California or Federal law. However, you must provide an explanation for nondisclosure separately stating, for each undisclosed person, the legal basis for the assertion of the privilege, facts demonstrating why the privilege is applicable, and that to the best of your knowledge you have not and will not make, participate in making, or use your official position to influence a governmental decision affecting the undisclosed person in violation of Government Code Section 87100. This explanation may be included with, or attached to, the public official's Form 700.

We note that the name of a source of income is privileged only to a limited extent under California law. For example, a name is protected by attorney-client privilege only when facts concerning an attorney's representation of an anonymous client are publicly known and those facts,

## Terms & Definitions - (continued)

when coupled with disclosure of the client's identity, might expose the client to an official investigation or to civil or criminal liability. A patient's name is protected by physician-patient privilege only when disclosure of the patient's name would also reveal the nature of the treatment received by the patient. A patient's name is also protected if the disclosure of the patient's name would constitute a violation by an entity covered under the Federal Health Insurance Portability and Accountability Act (also known as HIPAA).

### **Public Officials Who Manage Public Investments:**

Individuals who invest public funds in revenue-producing programs must file Form 700. This includes individuals who direct or approve investment transactions, formulate or approve investment policies, and establish guidelines for asset allocations. FPPC Regulation 18700.3 defines "public officials who manage public investments" to include the following:

- Members of boards and commissions, including pension and retirement boards or commissions, and committees thereof, who exercise responsibility for the management of public investments;
- High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments (for example, chief or principal investment officers or chief financial managers); and
- Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions described above.

**Registered Domestic Partners:** Filers must report investments and interests in real property held by, and sources of income to, registered domestic partners. (See Regulation 18229.)

**Retirement Accounts (for example, deferred compensation and individual retirement accounts (IRAs)):** Assets held in retirement accounts must be disclosed if the assets are reportable items, such as common stock (investments) or real estate (interests in real property). For help in determining whether your investments and real property are reportable, see the instructions to Schedules A-1, A-2, and B.

If your retirement account holds reportable assets, disclose only the assets held in the account, not the account itself. You may have to contact your account manager to determine the assets contained in your account.

**Schedule A-1:** Report any business entity in which the value of your investment interest was \$2,000 or more during the reporting period. (Use Schedule A-2 if you have a 10% or greater ownership interest in the business entity.)

**Schedule B:** Report any piece of real property in which the value of your interest was \$2,000 or more during the reporting period.

Examples:

- Alice McSherry deposits \$500 per month into her employer's deferred compensation program. She has chosen to purchase shares in two diversified mutual funds registered with the Securities and Exchange Commission. Because her funds are invested solely in non-reportable mutual funds (see Schedule A-1 instructions), Alice has no disclosure requirements with regard to the deferred compensation program.
- Bob Allison has \$6,000 in an individual retirement account with an investment firm. The account contains stock in several companies doing business in his jurisdiction. One of his stock holdings, Misac Computers, reached a value of \$2,500 during the reporting period. The value of his investment in each of the other companies was less than \$2,000. Bob must report Misac Computers as an investment on Schedule A-1 because the value of his stock in that company was \$2,000 or more.
- Adriane Fisher has \$5,000 in a retirement fund that invests in real property located in her jurisdiction. The value of her interest in each piece of real property held in the fund was less than \$2,000 during the reporting period. Although her retirement fund holds reportable assets, she has no disclosure requirement because she did not have a \$2,000 or greater interest in any single piece of real property. If, in the future, the value of her interest in a single piece of real property reaches or exceeds \$2,000, she will be required to disclose the real property on Schedule B for that reporting period.

**Trusts:** Investments and interests in real property held and income received by a trust (including a living trust) are reported on Schedule A-2 if you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater interest in the trust and your pro rata share of a single investment or interest in real property was \$2,000 or more.

You have an interest in a trust if you are a trustor and:

- Can revoke or terminate the trust;
- Have retained or reserved any rights to the income or principal of the trust or retained any reversionary or remainder interest; or
- Have retained any power of appointment, including the power to change the trustee or the beneficiaries.

Or you are a beneficiary and:

- Presently receive income; or
- Have an irrevocable future right to receive income or principal. (See FPPC Regulation 18234 for more information.)

## Terms & Definitions - (continued)

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### Examples:

- Sarah Murphy has set up a living trust that holds her principal residence, stock in several companies that do business in her jurisdiction, and a rental home in her agency's jurisdiction. Since Sarah is the trustor and can revoke or terminate the trust, she must disclose any stock worth \$2,000 or more and the rental home on Schedule A-2. Sarah's residence is not reportable because it is used exclusively as her personal residence.
- Ben Yee is listed as a beneficiary in his grandparents' trust. However, Ben does not presently receive income from the trust, nor does he have an irrevocable future right to receive income or principal. Therefore, Ben is not required to disclose any assets contained in his grandparents' trust.

### Blind Trusts:

A blind trust is a trust managed by a disinterested trustee who has complete discretion to purchase and sell assets held by the trust. If you have a direct, indirect, or beneficial interest in a blind trust, you may not be required to disclose your pro rata share of the trust's assets or income. However, the trust must meet the standards set out in FPPC Regulation 18235, and you must disclose reportable assets originally transferred into the blind trust and income from those original assets on Schedule A-2 until they have been disposed of by the trustee.

### Trustees:

If you are only a trustee, you do not have a reportable interest in the trust. However, you may be required to report the income you received from the trust for performing trustee services.

**Wedding Gifts:** Wedding gifts must be disclosed if they were received from a reportable source during the period covered by the statement. Gifts valued at \$50 or more are reportable; however, a wedding gift is considered a gift to both spouses equally. Therefore, you would count one-half of the value of a wedding gift to determine if it is reportable and need only report individual gifts with a total value of \$100 or more.

For example, you receive a place setting of china valued at \$150 from a reportable source as a wedding gift. Because the value to you is \$50 or more, you must report the gift on Schedule D, but may state its value as \$75.

Wedding gifts are not subject to the \$460 gift limit, but they are subject to the \$10 lobbyist/lobbying firm gift limit for state officials.

### Privacy Information Notice

Information requested on all FPPC forms is used by the FPPC to administer and enforce the Political Reform Act (Gov. Code Sections 81000-91014 and California Code of Regulations Sections 18109-18997). All information required by these forms is mandated by the Political Reform Act. Failure to provide all of the information required by the Act is a violation subject to administrative, criminal, or civil prosecution. All reports and statements provided are public records open for public inspection and reproduction.

If you have any questions regarding this Privacy Notice or how to access your personal information, please contact the FPPC at:

General Counsel  
Fair Political Practices Commission  
428 J Street, Suite 620  
Sacramento, CA 95814  
(916) 322-5660  
(866) 275-3772

2015/2016  
Statement of  
Economic Interests



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# Form 700

A Public Document

*Also available on the FPPC website:*

- ***Form 700 in Excel format***
- ***Reference Pamphlet for Form 700***

California Fair Political Practices Commission

428 J Street, Suite 620 • Sacramento, CA 95814

Email Advice: [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov)

Toll-free advice line: 1 (866) ASK-FPPC • 1 (866) 275-3772

Telephone: (916) 322-5660 • Website: [www.fppc.ca.gov](http://www.fppc.ca.gov)

December 2015

## What's New

### Gifts of Travel

Effective January 1, 2016, if an individual receives a travel payment that is a reportable gift, he or she must disclose the travel destination. (See the Schedule E instructions for information about other details that must be disclosed.) This applies to travel taken on or after January 1, 2016. An individual who is filing a 2015 annual statement is not required to disclose the travel destination, but may do so.

### Who must file:

- Elected and appointed officials and candidates listed in Government Code Section 87200
- Employees, appointed officials, and consultants filing pursuant to a conflict of interest code ("code filers").  
**Obtain your disclosure categories, which describe the interests you must report, from your agency; they are not part of the Form 700**
- Candidates running for local elective offices that are designated in a conflict of interest code (e.g., county sheriffs, city clerks, school board trustees, and water board members)
- Members of newly created boards and commissions not yet covered under a conflict of interest code
- Employees in newly created positions of existing agencies

See Reference Pamphlet, page 3, at [www.fppc.ca.gov](http://www.fppc.ca.gov).

### Where to file:

#### 87200 Filers

State offices	⇒	Your agency
Judicial offices	⇒	The clerk of your court
Retired Judges	⇒	Directly with FPPC
County offices	⇒	Your county filing official
City offices	⇒	Your city clerk
Multi-County offices	⇒	Your agency

**Code Filers — State and Local Officials, Employees, and Consultants Designated in a Conflict of Interest Code:** File with your agency, board, or commission unless otherwise specified in your agency's conflict of interest code (e.g., Legislative staff files directly with FPPC). In most cases, the agency, board, or commission will retain the statements.

**Members of Boards and Commissions of Newly Created Agencies:** File with your newly created agency or with your agency's code reviewing body.

**Employees in Newly Created Positions of Existing Agencies:** File with your agency or with your agency's code reviewing body. See Reference Pamphlet, page 3.

**Candidates:** File with your local elections office.

### How to file:

The Form 700 is available at [www.fppc.ca.gov](http://www.fppc.ca.gov). Form 700 schedules are also available in Excel format. All statements must have an original "wet" signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2. Instructions, examples, FAQs, and a reference pamphlet are available to help answer your questions.

### When to file:

#### Annual Statements

##### ⇒ March 1, 2016

- Elected State Officers
- Judges and Court Commissioners
- State Board and Commission Members listed in Government Code Section 87200

##### ⇒ April 1, 2016

- Most other filers

Individuals filing under conflict of interest codes in city and county jurisdictions should verify the annual filing date with their local filing officers.

Statements postmarked by the filing deadline are considered filed on time.

#### Assuming Office and Leaving Office Statements

Most filers file within 30 days of assuming or leaving office or within 30 days of the effective date of a newly adopted or amended conflict of interest code.

Exception:

If you assumed office between October 1, 2015, and December 31, 2015, and filed an assuming office statement, you are not required to file an annual statement until March 1, 2017, or April 3, 2017, whichever is applicable. The annual statement will cover the day after you assumed office through December 31, 2016. See Reference Pamphlet, pages 6 and 7, for additional exceptions.

#### Candidate Statements

File no later than the final filing date for the declaration of candidacy or nomination documents.

#### Amendments

Statements may be amended at any time. You are only required to amend the schedule that needs to be revised. It is not necessary to amend the entire filed form. Obtain amendment schedules at [www.fppc.ca.gov](http://www.fppc.ca.gov).

**There is no provision for filing deadline extensions unless the filer is serving in active military duty.**

Statements of 30 pages or less may be faxed by the deadline as long as the originally signed paper version is sent by first class mail to the filing official within 24 hours.

## Introduction

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The Political Reform Act (Gov. Code Sections 81000-91014) requires most state and local government officials and employees to publicly disclose their personal assets and income. They also must disqualify themselves from participating in decisions that may affect their personal economic interests. The Fair Political Practices Commission (FPPC) is the state agency responsible for issuing the attached Statement of Economic Interests, Form 700, and for interpreting the law's provisions.

### Gift Prohibition

Gifts received by most state and local officials, employees, and candidates are subject to a limit. For years 2015-2016, the limit is \$460 from a single source during a calendar year.

In addition, state officials, state candidates, and certain state employees are subject to a \$10 limit per calendar month on gifts from lobbyists and lobbying firms registered with the Secretary of State. See Reference Pamphlet, page 10.

State and local officials and employees should check with their agency to determine if other restrictions apply.

### Disqualification

Public officials are, under certain circumstances, required to disqualify themselves from making, participating in, or attempting to influence governmental decisions that will affect their economic interests. This may include interests they are not required to disclose (i.e., a personal residence is often not reportable, but may be disqualifying). Specific disqualification requirements apply to 87200 filers (e.g., city councilmembers, members of boards of supervisors, planning commissioners, etc.). These officials must publicly identify the economic interest that creates a conflict of interest and leave the room before a discussion or vote takes place at a public meeting. For more information, consult Government Code Section 87105, Regulation 18707, and the Guide to Recognizing Conflicts of Interest at [www.fppc.ca.gov](http://www.fppc.ca.gov).

### Honorarium Ban

Most state and local officials, employees, and candidates are prohibited from accepting an honorarium for any speech given, article published, or attendance at a conference, convention, meeting, or like gathering. See Reference Pamphlet, page 10.

### Loan Restrictions

Certain state and local officials are subject to restrictions on loans. See Reference Pamphlet, page 14.

### Post-Governmental Employment

There are restrictions on representing clients or employers before former agencies. The provisions apply to elected state officials, most state employees, local elected officials, county chief administrative officers, city managers, including the chief administrator of a city, and general managers or chief administrators of local special districts and JPAs. The FPPC website has fact sheets explaining the provisions.

### Late Filing

The filing officer who retains originally-signed or electronically filed statements of economic interests may impose on an individual a fine for any statement that is filed late. The fine is \$10 per day up to a maximum of \$100. Late filing penalties may be reduced or waived under certain circumstances.

Persons who fail to timely file their Form 700 may be referred to the FPPC's Enforcement Division (and, in some cases, to the Attorney General or district attorney) for investigation and possible prosecution. In addition to the late filing penalties, a fine of up to \$5,000 per violation may be imposed.

**For assistance** concerning reporting, prohibitions, and restrictions under the Act:

- Email questions to [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov).
- Call the FPPC toll-free at (866) 275-3772.

### Form 700 is a Public Document Public Access Must Be Provided

Statements of Economic Interests are public documents. The filing officer must permit any member of the public to inspect and receive a copy of any statement.

- Statements must be available as soon as possible during the agency's regular business hours, but in any event not later than the second business day after the statement is received. Access to the Form 700 is not subject to the Public Records Act procedures.
- No conditions may be placed on persons seeking access to the forms.
- No information or identification may be required from persons seeking access.
- Reproduction fees of no more than 10 cents per page may be charged.

## Types of Form 700 Filings

### Assuming Office Statement:

If you are a newly appointed official or are newly employed in a position designated, or that will be designated, in a state or local agency's conflict of interest code, your assuming office date is the date you were sworn in or otherwise authorized to serve in the position. If you are a newly elected official, your assuming office date is the date you were sworn in.

- Investments, interests in real property, and business positions held on the date you assumed the office or position must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the office or position is reportable.

For positions subject to confirmation by the State Senate or the Commission on Judicial Performance, your assuming office date is the date you were appointed or nominated to the position.

### Example:

Maria Lopez was nominated by the Governor to serve on a state agency board that is subject to state Senate confirmation. The assuming office date is the date Maria's nomination is submitted to the Senate. Maria must report investments, interests in real property, and business positions she holds on that date, and income (including loans, gifts, and travel payments) received during the 12 months prior to that date.

If your office or position has been added to a newly adopted or newly amended conflict of interest code, use the effective date of the code or amendment, whichever is applicable.

- Investments, interests in real property, and business positions held on the effective date of the code or amendment must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment is reportable.

### Annual Statement:

Generally, the period covered is January 1, 2015, through December 31, 2015. If the period covered by the statement is different than January 1, 2015, through December 31, 2015, (for example, you assumed office between October 1, 2014, and December 31, 2014 or you are combining statements), you must specify the period covered.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2015.

- If your disclosure category changes during a reporting period, disclose under the old category until the effective date of the conflict of interest code amendment and disclose under the new disclosure category through the end of the reporting period.

### Leaving Office Statement:

Generally, the period covered is January 1, 2015, through the date you stopped performing the duties of your position. If the period covered differs from January 1, 2015, through the date you stopped performing the duties of your position (for example, you assumed office between October 1, 2014, and December 31, 2014, or you are combining statements), the period covered must be specified. The reporting period can cover parts of two calendar years.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2015.

### Candidate Statement:

If you are filing a statement in connection with your candidacy for state or local office, investments, interests in real property, and business positions held on the date of filing your declaration of candidacy must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date of filing your declaration of candidacy is reportable. Do not change the preprinted dates on Schedules A-1, A-2, and B.

Candidates running for local elective offices (e.g., county sheriffs, city clerks, school board trustees, or water district board members) must file candidate statements, as required by the conflict of interest code for the elected position. The code may be obtained from the agency of the elected position.

### Amendments:

If you discover errors or omissions on any statement, file an amendment as soon as possible. You are only required to amend the schedule that needs to be revised; it is not necessary to refile the entire form. Obtain amendment schedules from the FPPC website at [www.fppc.ca.gov](http://www.fppc.ca.gov).

# Instructions Cover Page

Enter your name, mailing address, and daytime telephone number in the spaces provided. **Because the Form 700 is a public document, you may list your business/office address instead of your home address.**

## Part 1. Office, Agency, or Court

- Enter the name of the office sought or held, or the agency or court. Consultants must enter the public agency name rather than their private firm's name. (Examples: State Assembly; Board of Supervisors; Office of the Mayor; Department of Finance; Hope County Superior Court)
- Indicate the name of your division, board, or district, if applicable. (Examples: Division of Waste Management; Board of Accountancy; District 45). **Do not use acronyms.**
- Enter your position title. (Examples: Director; Chief Counsel; City Council Member; Staff Services Analyst)
- If you hold multiple positions (i.e., a city council member who also is a member of a county board or commission), you may be required to file statements with each agency. To simplify your filing obligations, you may complete an expanded statement.
- To do this, enter the name of the other agency(ies) with which you are required to file and your position title(s) in the space provided. **Do not use acronyms.** Attach an additional sheet if necessary. Complete one statement covering the disclosure requirements for all positions. Each copy must contain an original signature. Therefore, before signing the statement, make a copy for each agency. Sign each copy with an original signature and file with each agency.

If you assume or leave a position after a filing deadline, you must complete a separate statement. For example, a city council member who assumes a position with a county special district after the April 1 annual filing deadline must file a separate assuming office statement. In subsequent years, the city council member may expand his or her annual filing to include both positions.

### Example:

Scott Baker is a city council member for the City of Lincoln and a board member for the Camp Far West Irrigation District – a multi-county agency that covers Placer and Yuba counties. Scott will complete one Form 700 using full disclosure (as required for the city position) and covering interests in both Placer and Yuba counties (as required for the multi-county position) and list both positions on the Cover Page. Before signing the statement, Scott will make a copy and sign both statements. One statement will be filed with City of Lincoln and the other will be filed with Camp Far West Irrigation District. Both will contain an original signature.

## Part 2. Jurisdiction of Office

- Check the box indicating the jurisdiction of your agency and, if applicable, identify the jurisdiction. Judges, judicial candidates, and court commissioners have statewide jurisdiction. All other filers should review the Reference Pamphlet, page 13, to determine their jurisdiction.
- If your agency is a multi-county office, list each county in which your agency has jurisdiction.

- If your agency is not a state office, court, county office, city office, or multi-county office (e.g., school districts, special districts and JPAs), check the "other" box and enter the county or city in which the agency has jurisdiction.

### Example:

This filer is a member of a water district board with jurisdiction in portions of Yuba and Sutter Counties.

## Part 3. Type of Statement

<b>1. Office, Agency, or Court</b>	
Agency Name (Do not use acronyms) Feather River Irrigation District	
Division, Board, Department, District, if applicable N/A	Your Position Board Member
► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)	
Agency: N/A	Position: _____
<b>2. Jurisdiction of Office (Check at least one box)</b>	
<input type="checkbox"/> State	<input type="checkbox"/> Judge or Court Commissioner (Statewide Jurisdiction)
<input checked="" type="checkbox"/> Multi-County Yuba & Sutter Counties	<input type="checkbox"/> County of _____
<input type="checkbox"/> City of _____	<input type="checkbox"/> Other _____

Check at least one box. The period covered by a statement is determined by the type of statement you are filing. If you are completing a 2015 annual statement, **do not** change the pre-printed dates to reflect 2016. Your annual statement is used for reporting the **previous year's** economic interests. Economic interests for your annual filing covering January 1, 2016, through December 31, 2016, will be disclosed on your statement filed in 2017. See Reference Pamphlet, page 4.

Combining Statements: Certain types of statements may be combined. For example, if you leave office after January 1, but before the deadline for filing your annual statement, you may combine your annual and leaving office statements. File by the earliest deadline. Consult your filing officer or the FPPC.

## Part 4. Schedule Summary

- Complete the Schedule Summary after you have reviewed each schedule to determine if you have reportable interests.
- Enter the total number of completed pages including the cover page and either check the box for each schedule you use to disclose interests; or if you have nothing to disclose on any schedule, check the "No reportable interests" box. Please **do not** attach any blank schedules.

## Part 5. Verification

Complete the verification by signing the statement and entering the date signed. All statements must have an original "wet" signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2. Instructions, examples, FAQs, and a reference pamphlet are available to help answer your questions. **When you sign your statement, you are stating, under penalty of perjury, that it is true and correct.** Only the filer has authority to sign the statement. An unsigned statement is not considered filed and you may be subject to late filing penalties.

FPPC Form 700 (2015/2016)

FPPC Advice Email: [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov)

FPPC Toll-Free Helpline: 866/275-3772 [www.fppc.ca.gov](http://www.fppc.ca.gov)

Instructions – 1

**STATEMENT OF ECONOMIC INTERESTS**  
**COVER PAGE**

Date Initial Filing Received  
*Official Use Only*

Please type or print in ink.

NAME OF FILER (LAST) (FIRST) (MIDDLE)

**1. Office, Agency, or Court**

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable

Your Position

▶ If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: \_\_\_\_\_ Position: \_\_\_\_\_

**2. Jurisdiction of Office (Check at least one box)**

- State
- Multi-County \_\_\_\_\_
- City of \_\_\_\_\_
- Judge or Court Commissioner (Statewide Jurisdiction)
- County of \_\_\_\_\_
- Other \_\_\_\_\_

**3. Type of Statement (Check at least one box)**

- Annual:** The period covered is January 1, 2015, through December 31, 2015.
- or-
- The period covered is \_\_\_\_/\_\_\_\_/\_\_\_\_, through December 31, 2015.
- Assuming Office:** Date assumed \_\_\_\_/\_\_\_\_/\_\_\_\_
- Candidate:** Election year \_\_\_\_\_ and office sought, if different than Part 1: \_\_\_\_\_
- Leaving Office:** Date Left \_\_\_\_/\_\_\_\_/\_\_\_\_ (Check one)
- The period covered is January 1, 2015, through the date of leaving office.
- or-
- The period covered is \_\_\_\_/\_\_\_\_/\_\_\_\_, through the date of leaving office.

**4. Schedule Summary (must complete) ▶ Total number of pages including this cover page: \_\_\_\_\_**

**Schedules attached**

- Schedule A-1 - Investments** – schedule attached
- Schedule A-2 - Investments** – schedule attached
- Schedule B - Real Property** – schedule attached
- Schedule C - Income, Loans, & Business Positions** – schedule attached
- Schedule D - Income - Gifts** – schedule attached
- Schedule E - Income - Gifts - Travel Payments** – schedule attached

- or-
- None - No reportable interests on any schedule**

**5. Verification**

MAILING ADDRESS STREET CITY STATE ZIP CODE  
(Business or Agency Address Recommended - Public Document)

DAYTIME TELEPHONE NUMBER E-MAIL ADDRESS  
( )

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed \_\_\_\_\_ Signature \_\_\_\_\_  
(month, day, year) (File the originally signed statement with your filing official.)

## Which Schedule Do I Use?

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### Common Reportable Interests

Schedule A-1	Stocks, including those held in an IRA or a 401K
Schedule A-2	Business entities (including certain independent contracting), sole proprietorships, partnerships, LLCs, corporations, and trusts
Schedule B	Rental property in the jurisdiction
Schedule C	Non-governmental salaries of public official and spouse/registered domestic partner
Schedule D	Gifts from businesses (such as tickets to sporting or entertainment events)
Schedule E	Travel payments from third parties (not your employer)

### Common Non-Reportable Interests

Schedule A-1	Insurance policies, government bonds, diversified mutual funds, certain funds similar to diversified mutual funds (such as exchange traded funds) and investments held in certain retirement accounts. See Reference Pamphlet, page 13, for detailed information. (Regulation 18237)
Schedule A-2	Savings and checking accounts and annuities
Schedule B	A residence used exclusively as a personal residence (such as a home or vacation cabin)
Schedule C	Governmental salary (such as a school district)
Schedule D	Gifts from family members
Schedule E	Travel paid by your government agency

#### Remember:

- ✓ Mark the "No reportable interests" box on Part 4 of the Schedule Summary on the Cover Page if you determine you have nothing to disclose and file the Cover Page only. **Make sure you carefully read all instructions to ensure proper reporting.**
- ✓ The Form 700 is a public document.
- ✓ **Most individuals must consult their agency's conflict of interest code for reportable interests.**
- ✓ Most individuals file the Form 700 with their agencies.

## Questions and Answers

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### General

- Q. What is the reporting period for disclosing interests on an assuming office statement or a candidate statement?
- A. On an assuming office statement, disclose all reportable investments, interests in real property, and business positions held on the date you assumed office. In addition, you must disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you assumed office.

On a candidate statement, disclose all reportable investments, interests in real property, and business positions held on the date you file your declaration of candidacy. You must also disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you file your declaration of candidacy.

- Q. I hold two other board positions in addition to my position with the county. Must I file three statements of economic interests?
- A. Yes, three are required. However, you may complete one statement listing the county and the two boards on the Cover Page or an attachment as the agencies for which you will be filing. Report your economic interests using the largest jurisdiction and highest disclosure requirements assigned to you by the three agencies. Make two copies of the entire statement before signing it, sign each copy with an original signature, and distribute one original to the county and to each of the two boards. Remember to complete separate statements for positions that you leave or assume during the year.
- Q. I am a department head who recently began acting as city manager. Should I file as the city manager?
- A. Yes. File an assuming office statement as city manager. Persons serving as "acting," "interim," or "alternate" must file as if they hold the position because they are or may be performing the duties of the position.
- Q. As a designated employee, I left one state agency to work for another state agency. Must I file a leaving office statement?
- A. Yes. You may also need to file an assuming office statement for the new agency.

- Q. My spouse and I are currently separated and in the process of obtaining a divorce. Must I still report my spouse's income, investments, and interests in real property?
- A. Yes. A public official must continue to report a spouse's economic interests until such time as dissolution of marriage proceedings is final. However, if a separate property agreement has been reached prior to that time, your estranged spouse's income may not have to be reported. Contact the FPPC for more information.

### Investment Disclosure

- Q. I have an investment interest in shares of stock in a company that does not have an office in my jurisdiction. Must I still disclose my investment interest in this company?
- A. Probably. The definition of "doing business in the jurisdiction" is not limited to whether the business has an office or physical location in your jurisdiction. See Reference Pamphlet, page 13.
- Q. My spouse and I have a living trust. The trust holds rental property in my jurisdiction, our primary residence, and investments in diversified mutual funds. I have full disclosure. How is this trust disclosed?
- A. Disclose the name of the trust, the rental property and its income on Schedule A-2. Your primary residence and investments in diversified mutual funds registered with the SEC are not reportable.
- Q. I am required to report all investments. I have an IRA that contains stocks through an account managed by a brokerage firm. Must I disclose these stocks even though they are held in an IRA and I did not decide which stocks to purchase?
- A. Yes. Disclose on Schedule A-1 or A-2 any stock worth \$2,000 or more in a business entity located in or doing business in your jurisdiction.

## Questions and Answers Continued

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Q. I am the sole owner of my business, an S-Corporation. I believe that the nature of the business is such that it cannot be said to have any "fair market value" because it has no assets. I operate the corporation under an agreement with a large insurance company. My contract does not have resale value because of its nature as a personal services contract. Must I report the fair market value for my business on Schedule A-2 of the Form 700?

A. Yes. Even if there are no *tangible* assets, intangible assets, such as relationships with companies and clients are commonly sold to qualified professionals. The "fair market value" is often quantified for other purposes, such as marital dissolutions or estate planning. In addition, the IRS presumes that "personal services corporations" have a fair market value. A professional "book of business" and the associated goodwill that generates income are not without a determinable value. The Form 700 does not require a precise fair market value; it is only necessary to check a box indicating the broad range within which the value falls.

Q. I own stock in IBM and must report this investment on Schedule A-1. I initially purchased this stock in the early 1990s; however, I am constantly buying and selling shares. Must I note these dates in the "Acquired" and "Disposed" fields?

A. No. You must only report dates in the "Acquired" or "Disposed" fields when, during the reporting period, you initially purchase a reportable investment worth \$2,000 or more or when you dispose of the entire investment. You are not required to track the partial trading of an investment.

Q. On last year's filing I reported stock in Encoe valued at \$2,000 - \$10,000. Late last year the value of this stock fell below and remains at less than \$2,000. How should this be reported on this year's statement?

A. You are not required to report an investment if the value was less than \$2,000 during the **entire** reporting period. However, because a disposed date is not required for stocks that fall below \$2,000, you may want to report the stock and note in the "comments" section that the value fell below \$2,000. This would be for informational purposes only; it is not a requirement.

Q. We have a Section 529 account set up to save money for our son's college education. Is this reportable?

A. If the Section 529 account contains reportable interests (e.g., common stock valued at \$2,000 or more), those interests are reportable (not the actual Section 529 account). If the account contains solely mutual funds, then nothing is reported.

### Income Disclosure

Q. I reported a business entity on Schedule A-2. Clients of my business are located in several states. Must I report all clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2, Part 3?

A. No, only the clients located in or doing business on a regular basis in your jurisdiction must be disclosed.

Q. I believe I am not required to disclose the names of clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2 because of their right to privacy. Is there an exception for reporting clients' names?

A. Regulation 18740 provides a procedure for requesting an exemption to allow a client's name not to be disclosed if disclosure of the name would violate a legally recognized privilege under California or Federal law. This regulation may be obtained from our website at [www.fppc.ca.gov](http://www.fppc.ca.gov). See Reference Pamphlet, page 14.

Q. I am sole owner of a private law practice that is not reportable based on my limited disclosure category. However, some of the sources of income to my law practice are from reportable sources. Do I have to disclose this income?

A. Yes, even though the law practice is not reportable, reportable sources of income to the law practice of \$10,000 or more must be disclosed. This information would be disclosed on Schedule C with a note in the "comments" section indicating that the business entity is not a reportable investment. The note would be for informational purposes only; it is not a requirement.

## Questions and Answers Continued

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Q. I am the sole owner of my business. Where do I disclose my income - on Schedule A-2 or Schedule C?

A. Sources of income to a business in which you have an ownership interest of 10% or greater are disclosed on Schedule A-2. See Reference Pamphlet, page 8, for the definition of "business entity."

Q. My husband is a partner in a four-person firm where all of his business is based on his own billings and collections from various clients. How do I report my community property interest in this business and the income generated in this manner?

A. If your husband's investment in the firm is 10% or greater, disclose 100% of his share of the business on Schedule A-2, Part 1 and 50% of his income on Schedule A-2, Parts 2 and 3. For example, a client of your husband's must be a source of at least \$20,000 during the reporting period before the client's name is reported.

Q. How do I disclose my spouse's or registered domestic partner's salary?

A. Report the name of the employer as a source of income on Schedule C.

Q. I am a doctor. For purposes of reporting \$10,000 sources of income on Schedule A-2, Part 3, are the patients or their insurance carriers considered sources of income?

A. If your patients exercise sufficient control by selecting you instead of other doctors, then your patients, rather than their insurance carriers, are sources of income to you. See Reference Pamphlet, page 14, for additional information.

Q. I received a loan from my grandfather to purchase my home. Is this loan reportable?

A. No. Loans received from family members are not reportable.

Q. Many years ago, I loaned my parents several thousand dollars, which they paid back this year. Do I need to report this loan repayment on my Form 700?

A. No. Payments received on a loan made to a family member are not reportable.

### Real Property Disclosure

Q. During this reporting period we switched our principal place of residence into a rental. I have full disclosure and the property is located in my agency's jurisdiction, so it is now reportable. Because I have not reported this property before, do I need to show an "acquired" date?

A. No, you are not required to show an "acquired" date because you previously owned the property. However, you may want to note in the "comments" section that the property was not previously reported because it was used exclusively as your residence. This would be for informational purposes only; it is not a requirement.

Q. My daughter is buying her first home and I am the co-signer on the loan. I won't occupy the home, but my daughter will. The home is located in my agency's jurisdiction. Must I report this property?

A. No. Property occupied by a family member is not reportable as long as you are not receiving rental income or using the property for business purposes.

### Gift Disclosure

Q. If I received a reportable gift of two tickets to a concert valued at \$100 each, but gave the tickets to a friend because I could not attend the concert, do I have any reporting obligations?

A. Yes. Since you accepted the gift and exercised discretion and control of the use of the tickets, you must disclose the gift on Schedule D.

Q. Mary and Joe Benson, a married couple, want to give a piece of artwork to a county supervisor. Is each spouse considered a separate source for purposes of the gift limit and disclosure?

A. Yes, each spouse may make a gift valued at the gift limit during a calendar year. For example, during 2015 the gift limit was \$460, so the Bensons may have given the supervisor artwork valued at no more than \$920. The supervisor must identify Joe and Mary Benson as the sources of the gift.

## Questions and Answers Continued

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Q. I am a Form 700 filer with full disclosure. Our agency holds a holiday raffle to raise funds for a local charity. I bought \$10 worth of raffle tickets and won a gift basket valued at \$120. The gift basket was donated by Doug Brewer, a citizen in our city. At the same event, I bought raffle tickets for, and won a quilt valued at \$70. The quilt was donated by a coworker. Are these reportable gifts?

A. Because the gift basket was donated by an outside source (not an agency employee), you have received a reportable gift valued at \$110 (the value of the basket less the consideration paid). The source of the gift is Doug Brewer and the agency is disclosed as the intermediary. Because the quilt was donated by an employee of your agency, it is not a reportable gift.

Q. My agency is responsible for disbursing grants. An applicant (501(c)(3) organization) met with agency employees to present its application. At this meeting, the applicant provided food and beverages. Would the food and beverages be considered gifts to the employees? These employees are designated in our agency's conflict of interest code and the applicant is a reportable source of income under the code.

A. Yes. If the value of the food and beverages consumed by any one filer, plus any other gifts received from the same source during the reporting period total \$50 or more, the food and beverages would be reported using the fair market value and would be subject to the gift limit.

Q. I received free admission to an educational conference related to my official duties. Part of the conference fees included a round of golf. Is the value of the golf considered informational material?

A. No. The value of personal benefits, such as golf, attendance at a concert, or sporting event, are gifts subject to reporting and limits.

## Instructions – Schedules A-1 and A-2 Investments

"Investment" means a financial interest in any business entity (including a consulting business or other independent contracting business) that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency's jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more at any time during the reporting period. See Reference Pamphlet, page 13.

### Reportable investments include:

- Stocks, bonds, warrants, and options, including those held in margin or brokerage accounts and managed investment funds (See Reference Pamphlet, page 13.)
- Sole proprietorships
- Your own business or your spouse's or registered domestic partner's business (See Reference Pamphlet, page 8, for the definition of "business entity.")
- Your spouse's or registered domestic partner's investments even if they are legally separate property
- Partnerships (e.g., a law firm or family farm)
- Investments in reportable business entities held in a retirement account (See Reference Pamphlet, page 15.)
- If you, your spouse or registered domestic partner, and dependent children together had a 10% or greater ownership interest in a business entity or trust (including a living trust), you must disclose investments held by the business entity or trust. See Reference Pamphlet, page 15, for more information on disclosing trusts.
- Business trusts

### You are not required to disclose:

- Insurance policies, government bonds, diversified mutual funds, certain funds similar to diversified mutual funds (such as exchange traded funds) and investments held in certain retirement accounts. See Reference Pamphlet, page 13, for detailed information. (Regulation 18237)
- Bank accounts, savings accounts, money market accounts and certificates of deposits
- Insurance policies
- Annuities
- Commodities
- Shares in a credit union
- Government bonds (including municipal bonds)
- Retirement accounts invested in non-reportable interests (e.g., insurance policies, mutual funds, or government bonds) (See Reference Pamphlet, page 15.)

- Government defined-benefit pension plans (such as CalPERS and CalSTRS plans)
- Certain interests held in a blind trust (See Reference Pamphlet, page 16.)

**Use Schedule A-1** to report ownership of less than 10% (e.g., stock). Schedule C (Income) may also be required if the investment is not a stock or corporate bond. See second example below.

**Use Schedule A-2** to report ownership of 10% or greater (e.g., a sole proprietorship).

### To Complete Schedule A-1:

Do not attach brokerage or financial statements.

- Disclose the name of the business entity.
- Provide a general description of the business activity of the entity (e.g., pharmaceuticals, computers, automobile manufacturing, or communications).
- Check the box indicating the highest fair market value of your investment during the reporting period. If you are filing a candidate or an assuming office statement, indicate the fair market value on the filing date or the date you took office, respectively.
- Identify the nature of your investment (e.g., stocks, warrants, options, or bonds).
- An acquired or disposed of date is only required if you initially acquired or entirely disposed of the investment interest during the reporting period. The date of a stock dividend reinvestment or partial disposal is not required. Generally, these dates will not apply if you are filing a candidate or an assuming office statement.

### Examples:

John Smith holds a state agency position. His conflict of interest code requires full disclosure of investments. John must disclose his stock holdings of \$2,000 or more in any company that is located in or does business in California, as well as those stocks held by his spouse or registered domestic partner and dependent children.

Susan Jones is a city council member. She has a 4% interest, worth \$5,000, in a limited partnership located in the city. Susan must disclose the partnership on Schedule A-1 and income of \$500 or more received from the partnership on Schedule C.

### Reminders

- Do you know your agency's jurisdiction?
- Did you hold investments at any time during the period covered by this statement?
- Code filers – your disclosure categories may only require disclosure of specific investments.



## Instructions – Schedule A-2 Investments, Income, and Assets of Business Entities/Trusts

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Use Schedule A-2 to report investments in a business entity (including a consulting business or other independent contracting business) or trust (including a living trust) in which you, your spouse or registered domestic partner, and your dependent children, together or separately, had a 10% or greater interest, totaling \$2,000 or more, during the reporting period and which is located in, doing business in, planning to do business in, or which has done business during the previous two years in your agency's jurisdiction. See Reference Pamphlet, page 13. A trust located outside your agency's jurisdiction is reportable if it holds assets that are located in or doing business in the jurisdiction. Do not report a trust that contains non-reportable interests. For example, a trust containing only your personal residence not used in whole or in part as a business, your savings account, and some municipal bonds, is not reportable.

Also report on Schedule A-2 investments and real property held by that entity or trust if your pro rata share of the investment or real property interest was \$2,000 or more during the reporting period.

### To Complete Schedule A-2:

**Part 1.** Disclose the name and address of the business entity or trust. If you are reporting an interest in a business entity, check "Business Entity" and complete the box as follows:

- Provide a general description of the business activity of the entity.
- Check the box indicating the highest fair market value of your investment during the reporting period.
- If you initially acquired or entirely disposed of this interest during the reporting period, enter the date acquired or disposed.
- Identify the nature of your investment.
- Disclose the job title or business position you held with the entity, if any (i.e., if you were a director, officer, partner, trustee, employee, or held any position of management). A business position held by your spouse is not reportable.

**Part 2.** Check the box indicating **your pro rata** share of the **gross** income received by the business entity or trust. This amount includes your pro rata share of the **gross** income from the business entity or trust, as well as your community property interest in your spouse's or registered domestic partner's share. Gross income is the total amount of income before deducting expenses, losses, or taxes.

**Part 3.** Disclose the name of each source of income that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency's jurisdiction, as follows:

- Disclose each source of income and outstanding loan to the business entity or trust identified in Part 1 if your pro rata share of the **gross** income (including your community property interest in your spouse's or registered domestic partner's share) to the business entity or trust from that source was \$10,000 or more during the reporting

period. See Reference Pamphlet, page 11, for examples. Income from governmental sources may be reportable if not considered salary. See Regulation 18232. Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.

- Disclose each individual or entity that was a source of commission income of \$10,000 or more during the reporting period through the business entity identified in Part 1. See Reference Pamphlet, page 8, for an explanation of commission income.

You may be required to disclose sources of income located outside your jurisdiction. For example, you may have a client who resides outside your jurisdiction who does business on a regular basis with you. Such a client, if a reportable source of \$10,000 or more, must be disclosed.

Mark "None" if you do not have any reportable \$10,000 sources of income to disclose. Using phrases such as "various clients" or "not disclosing sources pursuant to attorney-client privilege" may trigger a request for an amendment to your statement. See Reference Pamphlet, page 14, for details about requesting an exemption from disclosing privileged information.

**Part 4.** Report any investments or interests in real property held or leased **by the entity or trust** identified in Part 1 if your pro rata share of the interest held was \$2,000 or more during the reporting period. Attach additional schedules or use FPPC's Form 700 Excel spreadsheet if needed.

- Check the applicable box identifying the interest held as real property or an investment.
- If investment, provide the name and description of the business entity.
- If real property, report the precise location (e.g., an assessor's parcel number or address).
- Check the box indicating the highest fair market value of your interest in the real property or investment during the reporting period. (Report the fair market value of the portion of your residence claimed as a tax deduction if you are utilizing your residence for business purposes.)
- Identify the nature of your interest.
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property or investment during the reporting period.

# SCHEDULE A-2

## Investments, Income, and Assets of Business Entities/Trusts

(Ownership Interest is 10% or Greater)

**CALIFORNIA FORM 700**

FAIR POLITICAL PRACTICES COMMISSION

Name \_\_\_\_\_

**▶ 1. BUSINESS ENTITY OR TRUST**

Name \_\_\_\_\_

Address (Business Address Acceptable) \_\_\_\_\_

Check one  
 Trust, go to 2     Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

---

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$0 - \$1,999 <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">____/____/15</td> <td style="text-align: center;">____/____/15</td> </tr> <tr> <td style="text-align: center;">ACQUIRED</td> <td style="text-align: center;">DISPOSED</td> </tr> </table>	____/____/15	____/____/15	ACQUIRED	DISPOSED
____/____/15	____/____/15				
ACQUIRED	DISPOSED				

NATURE OF INVESTMENT  
 Partnership    Sole Proprietorship    \_\_\_\_\_ Other

YOUR BUSINESS POSITION \_\_\_\_\_

**▶ 1. BUSINESS ENTITY OR TRUST**

Name \_\_\_\_\_

Address (Business Address Acceptable) \_\_\_\_\_

Check one  
 Trust, go to 2     Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

---

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$0 - \$1,999 <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">____/____/15</td> <td style="text-align: center;">____/____/15</td> </tr> <tr> <td style="text-align: center;">ACQUIRED</td> <td style="text-align: center;">DISPOSED</td> </tr> </table>	____/____/15	____/____/15	ACQUIRED	DISPOSED
____/____/15	____/____/15				
ACQUIRED	DISPOSED				

NATURE OF INVESTMENT  
 Partnership    Sole Proprietorship    \_\_\_\_\_ Other

YOUR BUSINESS POSITION \_\_\_\_\_

**▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)**

<input type="checkbox"/> \$0 - \$499	<input type="checkbox"/> \$10,001 - \$100,000
<input type="checkbox"/> \$500 - \$1,000	<input type="checkbox"/> OVER \$100,000
<input type="checkbox"/> \$1,001 - \$10,000	

**▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)**

<input type="checkbox"/> \$0 - \$499	<input type="checkbox"/> \$10,001 - \$100,000
<input type="checkbox"/> \$500 - \$1,000	<input type="checkbox"/> OVER \$100,000
<input type="checkbox"/> \$1,001 - \$10,000	

**▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)**

None   or    Names listed below

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)**

None   or    Names listed below

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST**

Check one box:  
 INVESTMENT     REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property \_\_\_\_\_

Description of Business Activity or City or Other Precise Location of Real Property \_\_\_\_\_

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">____/____/15</td> <td style="text-align: center;">____/____/15</td> </tr> <tr> <td style="text-align: center;">ACQUIRED</td> <td style="text-align: center;">DISPOSED</td> </tr> </table>	____/____/15	____/____/15	ACQUIRED	DISPOSED
____/____/15	____/____/15				
ACQUIRED	DISPOSED				

NATURE OF INTEREST  
 Property Ownership/Deed of Trust    Stock    Partnership

Leasehold \_\_\_\_\_ Yrs. remaining    Other \_\_\_\_\_

Check box if additional schedules reporting investments or real property are attached

**▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST**

Check one box:  
 INVESTMENT     REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property \_\_\_\_\_

Description of Business Activity or City or Other Precise Location of Real Property \_\_\_\_\_

<p>FAIR MARKET VALUE</p> <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	<p>IF APPLICABLE, LIST DATE:</p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">____/____/15</td> <td style="text-align: center;">____/____/15</td> </tr> <tr> <td style="text-align: center;">ACQUIRED</td> <td style="text-align: center;">DISPOSED</td> </tr> </table>	____/____/15	____/____/15	ACQUIRED	DISPOSED
____/____/15	____/____/15				
ACQUIRED	DISPOSED				

NATURE OF INTEREST  
 Property Ownership/Deed of Trust    Stock    Partnership

Leasehold \_\_\_\_\_ Yrs. remaining    Other \_\_\_\_\_

Check box if additional schedules reporting investments or real property are attached

Comments: \_\_\_\_\_

## Instructions – Schedule B Interests in Real Property

Report interests in real property located in your agency's jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more any time during the reporting period. See Reference Pamphlet, page 13.

### Interests in real property include:

- An ownership interest (including a beneficial ownership interest)
- A deed of trust, easement, or option to acquire property
- A leasehold interest (See Reference Pamphlet, page 14.)
- A mining lease
- An interest in real property held in a retirement account (See Reference Pamphlet, page 15.)
- An interest in real property held by a business entity or trust in which you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater ownership interest (Report on Schedule A-2.)
- Your spouse's or registered domestic partner's interests in real property that are legally held separately by him or her

### You are not required to report:

- A residence, such as a home or vacation cabin, used exclusively as a personal residence (However, a residence in which you rent out a room or for which you claim a business deduction may be reportable. If reportable, report the fair market value of the portion claimed as a tax deduction.)  
**Please note:** A non-reportable residence can still be grounds for a conflict of interest and may be disqualifying.
- Interests in real property held through a blind trust (See Reference Pamphlet, page 16, for exceptions.)

### To Complete Schedule B:

- Report the precise location (e.g., an assessor's parcel number or address) of the real property.
- Check the box indicating the fair market value of your interest in the property (regardless of what you owe on the property).
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property during the reporting period.
- Identify the nature of your interest. If it is a leasehold, disclose the number of years remaining on the lease.
- If you received rental income, check the box indicating the gross amount you received.
- If you had a 10% or greater interest in real property and received rental income, list the name of the source(s) if your pro rata share of the gross income from any single

tenant was \$10,000 or more during the reporting period. If you received a total of \$10,000 or more from two or more tenants acting in concert (in most cases, this will apply to married couples), disclose the name of each tenant. Otherwise, mark "None."

- Loans from a private lender that total \$500 or more and are secured by real property may be reportable. **Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.**

When reporting a loan:

- Provide the name and address of the lender.
- Describe the lender's business activity.
- Disclose the interest rate and term of the loan. For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period. The term of a loan is the total number of months or years given for repayment of the loan at the time the loan was established.
- Check the box indicating the highest balance of the loan during the reporting period.
- Identify a guarantor, if applicable.

If you have more than one reportable loan on a single piece of real property, report the additional loan(s) on Schedule C.

### Example:

Joe Nelson is a city planning commissioner. Joe received rental income of \$12,000 during the reporting period from a single tenant who rented property Joe owned in the city's jurisdiction. If Joe had received the \$12,000 from two or more tenants, the tenants' names would not be required as long as no single tenant paid \$10,000 or more. A married couple would be considered a single tenant.

ASSASSOR'S PARCEL NUMBER OR STREET ADDRESS 4600 24th Street	
City Sacramento	
FAIR MARKET VALUE	IF APPLICABLE, LIST DATE:
<input type="checkbox"/> \$2,000 - \$10,000	<input type="checkbox"/> / / 15 <input type="checkbox"/> / / 13
<input type="checkbox"/> \$10,000 - \$100,000	ACQUIRED    DISPOSED
<input checked="" type="checkbox"/> \$100,000 - \$1,000,000	
<input type="checkbox"/> Over \$1,000,000	
NATURE OF INTEREST	
<input checked="" type="checkbox"/> Ownership/Deed of Trust <input type="checkbox"/> Easement	
<input type="checkbox"/> Leasehold    Yes remaining <input type="checkbox"/> Other	
IF RENTAL PROPERTY, GROSS INCOME RECEIVED	
<input type="checkbox"/> \$0 - \$499 <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000	
<input checked="" type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000	
SOURCE(S) OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$1,000 or more.	
<input type="checkbox"/> None	
Henry Wells	
NAME OF LENDER*	
Sophia Petrallo	
ADDRESS (Business Address Acceptable)	
2121 Blue Sky Parkway, Sacramento	
BUSINESS ACTIVITY, IF ANY, OF LENDER	
Residential Owner	
INTEREST RATE	TERM (Month/Year)
B    S    None	15 Years
HIGHEST BALANCE DURING REPORTING PERIOD	
<input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000	
<input checked="" type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000	
<input type="checkbox"/> Guarantor, if applicable	

### Reminders

- Income and loans already reported on Schedule B are not also required to be reported on Schedule C.
- Real property already reported on Schedule A-2, Part 4 is not also required to be reported on Schedule B.
- Code filers – do your disclosure categories require disclosure of real property?

**SCHEDULE B**  
**Interests in Real Property**  
 (Including Rental Income)

Name \_\_\_\_\_

▶ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_

---

FAIR MARKET VALUE                      IF APPLICABLE, LIST DATE:

\$2,000 - \$10,000                      \_\_\_\_\_/\_\_\_\_\_/15      \_\_\_\_\_/\_\_\_\_\_/15

\$10,001 - \$100,000                      ACQUIRED                      DISPOSED

\$100,001 - \$1,000,000

Over \$1,000,000

NATURE OF INTEREST

Ownership/Deed of Trust                       Easement

Leasehold \_\_\_\_\_                       \_\_\_\_\_

Yrs. remaining                      Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

\$0 - \$499                       \$500 - \$1,000                       \$1,001 - \$10,000

\$10,001 - \$100,000                       OVER \$100,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.

None

\_\_\_\_\_

\_\_\_\_\_

▶ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_

---

FAIR MARKET VALUE                      IF APPLICABLE, LIST DATE:

\$2,000 - \$10,000                      \_\_\_\_\_/\_\_\_\_\_/15      \_\_\_\_\_/\_\_\_\_\_/15

\$10,001 - \$100,000                      ACQUIRED                      DISPOSED

\$100,001 - \$1,000,000

Over \$1,000,000

NATURE OF INTEREST

Ownership/Deed of Trust                       Easement

Leasehold \_\_\_\_\_                       \_\_\_\_\_

Yrs. remaining                      Other

IF RENTAL PROPERTY, GROSS INCOME RECEIVED

\$0 - \$499                       \$500 - \$1,000                       \$1,001 - \$10,000

\$10,001 - \$100,000                       OVER \$100,000

SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more.

None

\_\_\_\_\_

\_\_\_\_\_

\* You are not required to report loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER\* \_\_\_\_\_

ADDRESS (Business Address Acceptable) \_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF LENDER \_\_\_\_\_

INTEREST RATE                      TERM (Months/Years)

\_\_\_\_\_ %                       None                      \_\_\_\_\_

HIGHEST BALANCE DURING REPORTING PERIOD

\$500 - \$1,000                       \$1,001 - \$10,000

\$10,001 - \$100,000                       OVER \$100,000

Guarantor, if applicable

\_\_\_\_\_

NAME OF LENDER\* \_\_\_\_\_

ADDRESS (Business Address Acceptable) \_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF LENDER \_\_\_\_\_

INTEREST RATE                      TERM (Months/Years)

\_\_\_\_\_ %                       None                      \_\_\_\_\_

HIGHEST BALANCE DURING REPORTING PERIOD

\$500 - \$1,000                       \$1,001 - \$10,000

\$10,001 - \$100,000                       OVER \$100,000

Guarantor, if applicable

\_\_\_\_\_

Comments: \_\_\_\_\_

## Instructions – Schedule C Income, Loans, & Business Positions (Income Other Than Gifts and Travel Payments)

### Reporting Income:

Report the source and amount of gross income of \$500 or more you received during the reporting period. Gross income is the total amount of income before deducting expenses, losses, or taxes and includes loans other than loans from a commercial lending institution. See Reference Pamphlet, page 11. You must also report the source of income to your spouse or registered domestic partner if your community property share was \$500 or more during the reporting period.

A source of income must be reported only if the source is located in, doing business in, planning to do business in, or has done business during the previous two years in your agency's jurisdiction. See Reference Pamphlet, page 13, for more information about doing business in the jurisdiction. Reportable sources of income may be further limited by your disclosure category located in your agency's conflict of interest code.

### Reporting Business Positions:

You must report your job title with each reportable business entity even if you received no income during the reporting period. Use the comments section to indicate that no income was received.

### Commonly reportable income and loans include:

- Salary/wages, per diem, and reimbursement for expenses including travel payments provided by your employer
- Community property interest (50%) in your spouse's or registered domestic partner's income - **report the employer's name and all other required information**
- Income from investment interests, such as partnerships, reported on Schedule A-1
- Commission income not required to be reported on Schedule A-2 (See Reference Pamphlet, page 8.)
- Gross income from any sale, including the sale of a house or car (Report your pro rata share of the total sale price.)
- Rental income not required to be reported on Schedule B
- Prizes or awards not disclosed as gifts
- Payments received on loans you made to others
- An honorarium received prior to becoming a public official (See Reference Pamphlet, page 10, concerning your ability to receive future honoraria.)
- Incentive compensation (See Reference Pamphlet, page 12.)

### Reminders

- Code filers – your disclosure categories may not require disclosure of all sources of income.
- If you or your spouse or registered domestic partner are self-employed, report the business entity on Schedule A-2.
- Do not disclose on Schedule C income, loans, or business positions already reported on Schedules A-2 or B.

### You are not required to report:

- Salary, reimbursement for expenses or per diem, or social security, disability, or other similar benefit payments received by you or your spouse or registered domestic partner from a federal, state, or local government agency.
- Stock dividends and income from the sale of stock unless the source can be identified.
- Income from a PERS retirement account.

See Reference Pamphlet, page 11, for more exceptions to income reporting.

### To Complete Schedule C:

#### Part 1. Income Received/Business Position Disclosure

- Disclose the name and address of each source of income or each business entity with which you held a business position.
- Provide a general description of the business activity if the source is a business entity.
- Check the box indicating the amount of gross income received.
- Identify the consideration for which the income was received.
- For income from commission sales, check the box indicating the gross income received and list the name of each source of commission income of \$10,000 or more. See Reference Pamphlet, page 8. **Note: If you receive commission income on a regular basis or have an ownership interest of 10% or more, you must disclose the business entity and the income on Schedule A-2.**
- Disclose the job title or business position, if any, that you held with the business entity, even if you did not receive income during the reporting period.

#### Part 2. Loans Received or Outstanding During the Reporting Period

- Provide the name and address of the lender.
- Provide a general description of the business activity if the lender is a business entity.
- Check the box indicating the highest balance of the loan during the reporting period.
- Disclose the interest rate and the term of the loan.
  - For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period.
  - The term of the loan is the total number of months or years given for repayment of the loan at the time the loan was entered into.
- Identify the security, if any, for the loan.

**SCHEDULE C**  
**Income, Loans, & Business**  
**Positions**  
 (Other than Gifts and Travel Payments)

**CALIFORNIA FORM 700**  
 FAIR POLITICAL PRACTICES COMMISSION  
 Name \_\_\_\_\_

**▶ 1. INCOME RECEIVED**

NAME OF SOURCE OF INCOME \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

YOUR BUSINESS POSITION \_\_\_\_\_

GROSS INCOME RECEIVED  
 \$500 - \$1,000       \$1,001 - \$10,000  
 \$10,001 - \$100,000       OVER \$100,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED  
 Salary     Spouse's or registered domestic partner's income  
 (For self-employed use Schedule A-2.)

Partnership (Less than 10% ownership. For 10% or greater use  
 Schedule A-2.)

Sale of \_\_\_\_\_  
*(Real property, car, boat, etc.)*

Loan repayment

Commission or     Rental Income, list each source of \$10,000 or more  
 \_\_\_\_\_  
*(Describe)*

Other \_\_\_\_\_  
*(Describe)*

**▶ 1. INCOME RECEIVED**

NAME OF SOURCE OF INCOME \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

YOUR BUSINESS POSITION \_\_\_\_\_

GROSS INCOME RECEIVED  
 \$500 - \$1,000       \$1,001 - \$10,000  
 \$10,001 - \$100,000       OVER \$100,000

CONSIDERATION FOR WHICH INCOME WAS RECEIVED  
 Salary     Spouse's or registered domestic partner's income  
 (For self-employed use Schedule A-2.)

Partnership (Less than 10% ownership. For 10% or greater use  
 Schedule A-2.)

Sale of \_\_\_\_\_  
*(Real property, car, boat, etc.)*

Loan repayment

Commission or     Rental Income, list each source of \$10,000 or more  
 \_\_\_\_\_  
*(Describe)*

Other \_\_\_\_\_  
*(Describe)*

**▶ 2. LOANS RECEIVED OR OUTSTANDING DURING THE REPORTING PERIOD**

\* You are not required to report loans from commercial lending institutions, or any indebtedness created as part of a retail installment or credit card transaction, made in the lender's regular course of business on terms available to members of the public without regard to your official status. Personal loans and loans received not in a lender's regular course of business must be disclosed as follows:

NAME OF LENDER\* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

BUSINESS ACTIVITY, IF ANY, OF LENDER \_\_\_\_\_

HIGHEST BALANCE DURING REPORTING PERIOD  
 \$500 - \$1,000  
 \$1,001 - \$10,000  
 \$10,001 - \$100,000  
 OVER \$100,000

INTEREST RATE \_\_\_\_\_%     None

TERM (Months/Years) \_\_\_\_\_

SECURITY FOR LOAN  
 None       Personal residence

Real Property \_\_\_\_\_  
 \_\_\_\_\_  
*Street address*

\_\_\_\_\_ *City*

Guarantor \_\_\_\_\_

Other \_\_\_\_\_  
*(Describe)*

Comments: \_\_\_\_\_

## Instructions – Schedule D Income – Gifts

A gift is anything of value for which you have not provided equal or greater consideration to the donor. A gift is reportable if its fair market value is \$50 or more. In addition, multiple gifts totaling \$50 or more received during the reporting period from a single source must be reported.

It is the acceptance of a gift, not the ultimate use to which it is put, that imposes your reporting obligation. Except as noted below, you must report a gift even if you never used it or if you gave it away to another person.

If the exact amount of a gift is unknown, you must make a good faith estimate of the item's fair market value. Listing the value of a gift as "over \$50" or "value unknown" is not adequate disclosure. In addition, if you received a gift through an intermediary, you must disclose the name, address, and business activity of both the donor and the intermediary. You may indicate an intermediary either in the "source" field after the name or in the "comments" section at the bottom of Schedule D.

### Commonly reportable gifts include:

- Tickets/passes to sporting or entertainment events
- Tickets/passes to amusement parks
- Parking passes not used for official agency business
- Food, beverages, and accommodations, including those provided in direct connection with your attendance at a convention, conference, meeting, social event, meal, or like gathering
- Rebates/discounts not made in the regular course of business to members of the public without regard to official status
- Wedding gifts (See Reference Pamphlet, page 16)
- An honorarium received prior to assuming office (You may report an honorarium as income on Schedule C, rather than as a gift on Schedule D, if you provided services of equal or greater value than the payment received. See Reference Pamphlet, page 10, regarding your ability to receive future honoraria.)
- Transportation and lodging (See Schedule E.)
- Forgiveness of a loan received by you

### You are **not** required to disclose:

- Gifts that were not used and that, within 30 days after receipt, were returned to the donor or delivered to a charitable organization or government agency without

#### Reminders

- Gifts from a single source are subject to a \$460 limit. See Reference Pamphlet, page 10.
- Code filers – you only need to report gifts from reportable sources.

#### Gift Tracking Mobile Application

- FPPC has created a gift tracking app for mobile devices that helps filers track gifts and provides a quick and easy way to upload the information to the Form 700. Visit FPPC's website to download the app.

being claimed by you as a charitable contribution for tax purposes

- Gifts from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, and certain other family members (See Regulation 18942 for a complete list.). The exception does not apply if the donor was acting as an agent or intermediary for a reportable source who was the true donor.
- Gifts of similar value exchanged between you and an individual, other than a lobbyist registered to lobby your state agency, on holidays, birthdays, or similar occasions
- Gifts of informational material provided to assist you in the performance of your official duties (e.g., books, pamphlets, reports, calendars, periodicals, or educational seminars)
- A monetary bequest or inheritance (However, inherited investments or real property may be reportable on other schedules.)
- Personalized plaques or trophies with an individual value of less than \$250
- Campaign contributions
- Up to two tickets, for your own use, to attend a fundraiser for a campaign committee or candidate, or to a fundraiser for an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. The ticket must be received from the organization or committee holding the fundraiser.
- Gifts given to members of your immediate family if the source has an established relationship with the family member and there is no evidence to suggest the donor had a purpose to influence you. (See Regulation 18943.)
- Free admission, food, and nominal items (such as a pen, pencil, mouse pad, note pad or similar item) available to all attendees, at the event at which the official makes a speech (as defined in Regulation 18950(b)(2)), so long as the admission is provided by the person who organizes the event.
- Any other payment not identified above, that would otherwise meet the definition of gift, where the payment is made by an individual who is not a lobbyist registered to lobby the official's state agency, where it is clear that the gift was made because of an existing personal or business relationship unrelated to the official's position and there is no evidence whatsoever at the time the gift is made to suggest the donor had a purpose to influence you.

### To Complete Schedule D:

- Disclose the full name (not an acronym), address, and, if a business entity, the business activity of the source.
- Provide the date (month, day, and year) of receipt, and disclose the fair market value and description of the gift.

**SCHEDULE D**  
**Income – Gifts**

Name \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_  
 ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_  
 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_  
 ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_  
 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_  
 ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_  
 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_  
 ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_  
 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_  
 ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_  
 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

\_\_\_\_\_  
 ADDRESS *(Business Address Acceptable)*

\_\_\_\_\_  
 BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____
___/___/___	\$ _____	_____

Comments: \_\_\_\_\_

## Instructions – Schedule E Travel Payments, Advances, and Reimbursements

Travel payments reportable on Schedule E include advances and reimbursements for travel and related expenses, including lodging and meals.

Gifts of travel may be subject to the gift limit. In addition, certain travel payments are reportable gifts, but are not subject to the gift limit. To avoid possible misinterpretation or the perception that you have received a gift in excess of the gift limit, you may wish to provide a specific description of the purpose of your travel. See the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans" at [www.fppc.ca.gov](http://www.fppc.ca.gov).

### You are **not** required to disclose:

- Travel payments received from any state, local, or federal government agency for which you provided services equal or greater in value than the payments received, such as reimbursement for travel on agency business from your government agency employer.
- A payment for travel from another local, state, or federal government agency and related per diem expenses when the travel is for education, training or other inter-agency programs or purposes.
- Travel payments received from your employer in the normal course of your employment that are included in the income reported on Schedule C.
- A travel payment that was received from a non-profit entity exempt from taxation under Internal Revenue Code Section 501(c)(3) for which you provided equal or greater consideration, such as reimbursement for travel on business for a 501(c)(3) organization for which you are a board member.

**Note: Certain travel payments may not be reportable if reported on Form 801 by your agency.**

### To Complete Schedule E:

- Disclose the full name (not an acronym) and address of the source of the travel payment.
- Identify the business activity if the source is a business entity.
- Check the box to identify the payment as a gift or income, report the amount, and disclose the date(s).
  - **Travel payments are gifts** if you did not provide services that were equal to or greater in value than the payments received. You must disclose gifts totaling \$50 or more from a single source during the period covered by the statement.

When reporting travel payments that are gifts, you must provide a description of the gift and the **date(s)** received. If the travel occurred on or after January 1, 2016, you must also disclose the **travel destination**.

- **Travel payments are income** if you provided services that were equal to or greater in value than the payments received. You must disclose income totaling \$500 or more from a single source during the period covered by the statement. You have the burden of proving the payments are income rather than gifts. When reporting travel payments as income, you must describe the services you provided in exchange for the payment. You are not required to disclose the date(s) for travel payments that are income.

### Example:

City council member Rick Chandler is the chairman of a 501 (c)(6) trade association and the association pays for Rick's travel to attend its meetings. Because Rick is deemed to be providing equal or greater consideration for the travel payment by virtue of serving on the board, this payment may be reported as income. Payments for Rick to attend other events for which he is not providing services are likely considered gifts.

* NAME OF SOURCE	
Health Services Trade Association	
ADDRESS (Business Address Acceptable)	
1230 K Street, Ste. 610	
CITY AND STATE	
Sacramento, CA	
BUSINESS ACTIVITY: F ANY OF SOURCE <input type="checkbox"/> 501 (c)(3)	
Association of Healthcare Workers	
DATE(S):	AMT: \$ 588.00
<small>(If applicable)</small>	
TYPE OF PAYMENT: (must check one) <input type="checkbox"/> Gift <input checked="" type="checkbox"/> Income	
DESCRIPTION: Travel reimbursement for board meeting	

**SCHEDULE E**  
**Income – Gifts**  
**Travel Payments, Advances,**  
**and Reimbursements**

Name \_\_\_\_\_

- Mark either the gift or income box.
- Mark the "501(c)(3)" box for a travel payment received from a nonprofit 501(c)(3) organization or the "Speech" box if you made a speech or participated in a panel. These payments are not subject to the \$460 gift limit, but may result in a disqualifying conflict of interest.
- For gifts of travel that occurred on or after January 1, 2016, provide the travel destination.

▶ NAME OF SOURCE *(Not an Acronym)* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

CITY AND STATE \_\_\_\_\_

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
*(If gift)*

▶ MUST CHECK ONE:  Gift -or-  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

CITY AND STATE \_\_\_\_\_

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
*(If gift)*

▶ MUST CHECK ONE:  Gift -or-  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

CITY AND STATE \_\_\_\_\_

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
*(If gift)*

▶ MUST CHECK ONE:  Gift -or-  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

▶ NAME OF SOURCE *(Not an Acronym)* \_\_\_\_\_

ADDRESS *(Business Address Acceptable)* \_\_\_\_\_

CITY AND STATE \_\_\_\_\_

501 (c)(3) or DESCRIBE BUSINESS ACTIVITY, IF ANY, OF SOURCE \_\_\_\_\_

DATE(S): \_\_\_\_/\_\_\_\_/\_\_\_\_ - \_\_\_\_/\_\_\_\_/\_\_\_\_ AMT: \$ \_\_\_\_\_  
*(If gift)*

▶ MUST CHECK ONE:  Gift -or-  Income

Made a Speech/Participated in a Panel

Other - Provide Description \_\_\_\_\_

▶ If Gift, Provide Travel Destination \_\_\_\_\_

Comments: \_\_\_\_\_



# Limitations and Restrictions on Gifts, Honoraria, Travel and Loans

## *A Fact Sheet For*

- Local Elected Officers and Candidates for Local Elective Offices
- Local Officials Specified in Government Code Section 87200
- Judicial Candidates
- Designated Employees of Local Government Agencies

## California Fair Political Practices Commission

Toll-free advice line: 1 (866) ASK-FPPC

Email advice: [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov)

Web site: [www.fppc.ca.gov](http://www.fppc.ca.gov)

January 2015

# Introduction

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The Political Reform Act<sup>1</sup> (the "Act") imposes limits on gifts, prohibits honoraria payments, and imposes limits and other restrictions on the receipt of travel payments received by:

- Local elected officers and other local officials specified in Government Code Section 87200,<sup>2</sup> excluding judges;<sup>3</sup>
- Designated employees of local government agencies (i.e., individuals required to file statements of economic interests under a local agency's conflict of interest code); and
- Candidates<sup>4</sup> for any of these offices or positions and judicial candidates. (Sections 89502 and 89503.)

The Act also imposes limits and other restrictions on personal loans received by certain local officials.

This fact sheet summarizes the major provisions of the Act concerning gifts, honoraria, travel, and loans. You should not, however, rely on the fact sheet alone to ensure compliance with the Act. If you have any questions, contact the Fair Political Practices Commission at (866) 275-3772 or [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov) or visit our website at [www.fppc.ca.gov](http://www.fppc.ca.gov). Commission advice letters are available on our website. You may also be subject to local restrictions on gifts, honoraria, or travel.

## Enforcement

**Failure to comply with the laws related to gifts, honoraria, loans, and travel payments may, depending on the violation, result in criminal prosecution and substantial fines, or in administrative or civil monetary penalties for as much as \$5,000 per violation or three times the amount illegally obtained. (See Sections 83116, 89520, 89521, 91000, 91004 and 91005.5.)**

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<sup>1</sup> The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

<sup>2</sup> Local officials specified in Government Code Section 87200 include: members of boards of supervisors and city councils, mayors, city/county planning commissioners, city/county chief administrative officers, city/county treasurers, district attorneys, county counsels, city managers, city attorneys, court commissioners and public officials who manage public investments.

<sup>3</sup> The gift limits and honoraria ban in the Political Reform Act do not apply to a person in his or her capacity as judge. However, candidates for judicial offices are subject to the restrictions contained in the Political Reform Act. (Sections 89502 and 89503.)

<sup>4</sup> For purposes of the gift limit and honoraria prohibition, you become a "candidate" when you file a statement of organization (Form 410) as a controlled committee for the purpose of seeking elective office, a candidate intention statement (Form 501), or a declaration of candidacy, whichever occurs first. If you are an unsuccessful candidate, you will no longer be subject to the gift limit and honoraria prohibition when you have terminated your campaign filing obligations, or after certification of election results, whichever is earlier. (Sections 89502(b) and 89503(b).)

# Gifts

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## Limitations

If you are a local elected officer, a candidate for local elective office, a local official specified in Government Code Section 87200, or a judicial candidate, you may not accept gifts from any single source totaling more than \$460 in a calendar year. (Section 89503.)<sup>5</sup>

If you are an employee of a local government agency who is designated in the agency's conflict of interest code, you may not accept gifts from any single source totaling more than \$460 in a calendar year if you are required to report receiving income or gifts from that source on your statement of economic interests (Form 700). (Section 89503(c).)

## What is a "Gift"?

A "gift" is any payment or other benefit provided to you that confers a personal benefit for which you do not provide payment or services of equal or greater value. A gift includes a rebate or discount in the price of anything of value unless the rebate or discount is made in the regular course of business to members of the public. (Section 82028.) (See Regulation 18946 for valuation guidelines.)

Except as discussed below, you have "received" or "accepted" a gift when you know that you have actual possession of the gift or when you take any action exercising direction or control over the gift, including discarding the gift or turning it over to another person. This includes gifts that are accepted by someone else on the official's behalf and gifts made to others at the direction of the official. (Regulation 18941.)

## Gifts to Family Members

Under certain circumstances, a gift to an official's family member\* is considered a gift to the official. (Regulation 18943.) Anything given to a family member is presumed to be a gift to the official if: (1) there is no established relationship between the donor and the family member where it would generally be considered appropriate for the family member to receive the gift or; (2) the donor is someone who lobbies the official's agency, is involved in an action before the official's agency in which the official may foreseeably participate, or engages in business with the agency in which the official will foreseeably participate. (Wedding gifts are treated differently, see below.)

\*For purposes of this rule, an official's "family member" includes the official's spouse; registered domestic partner; any minor child of the official who the official can claim as a dependent for federal tax purposes; and a child of the official who is aged 18 to 23 years old, attends school, resides with the official when not attending school, and provides less than one-half of his or her own support.

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<sup>5</sup> The gift limit is adjusted biennially to reflect changes in the Consumer Price Index. For 2015-2016, the gift limit is \$460. (Section 89503; Regulation 18940.2.) Gifts from a single source aggregating to \$50 or more must be disclosed, and gifts aggregating to \$460 or more during any 12-month period may subject an official to disqualification with respect to the source. (Section 87103(e).) Designated employees should obtain a copy of their conflict of interest code from their agency. Some conflict of interest codes require very limited disclosure of income and gifts. Gifts from sources that are not required to be disclosed on your Form 700 are not subject to the \$460 gift limit but still may subject you to disqualification.

## Source of Gift

Under most circumstances, it is clear who the source of a gift is, but if the circumstances indicate that the gift is being provided by an intermediary, you must determine both the donor and the intermediary in reporting the gift. Regulation 18945 provides the rules for determining the source of the gift.

## Gifts from Multiple Sources

In determining the cumulative value of any reportable gifts, separate gifts from an individual and an entity that the individual controls or where the individual directs the payment of the gift must be aggregated as one source in complying with the reporting and limit requirements. For example, separate gifts from J.R. Ewing and Ewing Oil Company would be treated as if from one source if J.R. owns more than a 50 percent interest in the company unless the making of the gift was determined by someone else in the company. In that case, the gift from Ewing Oil would be aggregated with any gifts made by that individual. (Regulation 18945.1.) Group gifts, where you received a single gift from multiple donors (such as a retirement gift from coworkers) need not be reported unless any person contributes \$50 or more to the total cost of the gift. In that case, you would only report each of those persons. (Regulation 18945.2.)

## Valuation of Gifts

The general rule for determining the value of a gift is to apply the fair market value at the time the gift is received. Fair market value can be determined by finding any local or Internet advertisement for the item. Special exceptions to the fair market value rule are contained in Regulations 18946.1 through 18946.5 covering admission to ticketed and invitation-only events, wedding gifts, attendance at nonprofit and political fundraisers, and air travel. (Regulation 18946.) For example, for ticketed events, the value is the face value of the ticket.

## General Gift Exceptions

Form 700 Reporting	C/I: § 87100	Honoraria Ban	\$460 Gift Limit
No	No	No	No

1. Items that are returned (unused) to the donor, or for which you reimburse the donor, within 30 days of receipt. (Section 82028(b)(2); Regulation 18941.)
2. Items that are donated (unused) to a non-profit, tax-exempt (501(c)(3)) organization in which the official (or immediate family member) does not hold a position, or to a government agency, within 30 days of receipt without claiming a deduction for tax purposes. (Section 82028(b)(2); Regulation 18941.)
3. Gifts from your spouse (or former spouse), child, parent, grandparent, grandchild, brother, sister, current or former parent-in-law, brother-in-law, sister-in-law, aunt, uncle, niece, nephew, or first cousin or the spouse of any such person, unless he or she is acting as an agent or intermediary for another person who is the true source of the gift. (Section 82028(b)(3); Regulation 18942(a)(3).) This exception includes great grandparents, great uncles and aunts, great nieces and nephews, and first cousins once removed.
4. Informational material provided to assist you in the performance of your official duties, including books, reports, pamphlets, calendars, periodicals, videotapes, or free admission or discounts to informational conferences or seminars.

“Informational material” may also include scale models, pictorial representations, maps, and other such items. However, if the item’s fair market value is more than \$460, you have the burden of demonstrating that the item is informational. In addition, on-site demonstrations, tours, or inspections, including air flights over an area that is the subject of the information and designed specifically for public officials, are considered informational material. However, this exception does not apply to meals or lodging.

Furthermore, the exception generally does not apply to transportation to the site, except for any portion of the transportation that is not commercially available. (Section 82028(b)(1); Regulations 18942(a)(1) and 18942.1.)

5. A devise or inheritance. (Section 82028(b)(5); Regulation 18942(a)(5).)

6. Campaign contributions to an official, including rebates or discounts received in connection with campaign activities (Section 82028(b)(4); Regulations 18942(a)(4), 18950(a) and 18950.3(a)) and permissible expenditures of campaign funds for campaign-related expenses, including payments for transportation, lodging or food (Regulations 18950(a) and 18950.3(b)), provided they comply and are properly reported in accordance with applicable campaign finance laws.

7. Personalized plaques and trophies with an individual value of less than \$250. (Section 82028(b)(6); Regulation 18942(a)(6).)

8. Free admission to a ticketed event (including any benefits included in the price of the ticket such as a free meal) for the official and one guest at an event where the official performs a ceremonial role, such as throwing out the first pitch at a Dodgers' game, so long as the official's agency complies with the posting provisions set forth in Regulation 18944.1(d). (Regulation 18942(a)(13); Regulation 18942.3; also see discussion of Form 802 below under "Gifts Exceptions Requiring Alternate Reporting.")

9. Free admission, and food and nominal items (such as a pen, pencil, mouse pad, note pad or similar item) available to all attendees, at the event at which the official makes a speech (as defined in Regulation 18950(b)(2)), so long as the admission is provided by the person who organizes the event. (Regulation 18942(a)(11).)

10. Benefits received as a guest attending a wedding reception where the benefits are the same as those received by the other guests at the reception. (Regulation 18942(a)(15).)

11. Bereavement offerings, such as flowers at a funeral received in memory of a close family member. (Regulation 18942(a)(16).)

12. Benefits received as an act of neighborliness such as the loan of an item, an occasional ride, or help with a repair where the act is consistent with polite behavior in a civilized society and would not normally be part of an economic transaction between like participants under similar circumstances. (Regulation 18942(a)(17).)

13. Two tickets for admission, for use by only the official and one guest, to attend a fundraiser for a campaign committee or candidate, or to a fundraiser for an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. The ticket(s) must be received from the organization or committee holding the fundraiser. (Regulation 18946.4.)

14. Passes or tickets that provide admission or access to facilities, goods, services, or other benefits (either on a one-time or repeated basis) that you do not use and do not give to another person. (Regulation 18946.1.)

15. Certain payments for travel as discussed below in the "Travel Payments Exceptions" section.

16. Subject to certain conditions, items provided to a government agency and used by officials in the agency for agency business. This may include passes or tickets to (see Regulation 18944.1) or payments for other types of items or activities (see Regulation 18944). An agency must disclose specified payments on a form provided by the FPPC and post the form on its website. (See discussion of Forms 801 and 802 below under "Gift Exceptions Requiring Alternate Reporting.") Contact the FPPC for detailed information.

17. Leave credits (e.g., sick leave or vacation credits) received under a bona fide catastrophic or emergency leave program established by your employer and available to all employees in the same job classification or position. Donations of cash are gifts and are subject to limits and disclosure. (Regulation 18942(a)(9).)

18. Food, shelter, or similar assistance received in connection with a disaster relief program. The benefits must be received from a governmental agency or charity and must be available to the general public. (Regulation 18942(a)(10).)

19. Items awarded in an employee raffle, received by the agency from an agency employee who is not acting as an intermediary for another donor. This exception applies when an agency holds an employee raffle and the item awarded in the raffle has been obtained with agency funds, or is otherwise an asset of the agency and not donated to the agency by a non-agency source. This exception does not apply to passes or tickets of the type described in Regulation 18944.1. (Regulation 18944.2(a) and (b).)

20. Items received by an employee during an employee gift exchange, so long as the items received are provided by another employee of the agency and the gifts are not substantially disproportionate in value. (Regulation 18944.2(c).)

**Limited Gift Exceptions**

Form 700 Reporting	Cal § 87100	Honoraria Ban	\$460 Gift Limit
No	No	No	No

1. Gifts of hospitality including food, drink or occasional lodging that an official receives in an individual's home when the individual or a member of his or her family is present. (Regulation 18942(a)(7).) For this exception to apply, the official must have a relationship, connection or association with the individual providing the in-home hospitality that is unrelated to the official's position and the hospitality must be provided as part of that relationship. Generally, this means functions like children's birthday parties, soccer team parties, neighborhood barbecues, etc., where other guests attend who are not part of the lobbying process. (Regulation 18942.2.)

2. Gifts commonly exchanged between an official and another individual on holidays, birthdays, or similar occasions to the extent that the gifts exchanged are not substantially disproportionate in value. (Regulation 18942(a)(8)(A).)

3. Reciprocal exchanges between an official and another individual that occur on an ongoing basis so long as the total value of payments received by the official within the calendar year is not substantially disproportionate to the amount paid by the official and no single payment is \$460 or more. For example, if two people get together regularly for lunches and rotate picking up the lunch tab so that each pays approximately half the total value over the course of the calendar year, no gift need be reported. (Regulation 18942(a)(8)(B).)

4. Personal benefits commonly received from a dating partner. These gifts are not disclosable or limited but are subject to disqualification under the conflict of interest laws if the dating partner has certain business before the official as set forth in Regulation 18942(a)(18)(D). (Regulation 18942(a)(18)(A).)

5. Acts of Human Compassion. Assistance, financial or otherwise, to offset family medical or living expenses that the official can no longer meet without private assistance because of an accident, illness, employment loss, death in the family, or other unexpected calamity; or to defray expenses associated with humanitarian efforts such as the adoption of an orphaned child, so long as the source of the donation is an individual who has a prior social relationship with the official of the type where it would be common to provide such assistance, or the payment is made without regard to official status under other circumstances in which it would be common to receive community outreach. (Regulation 18942)

(a)(18)(B).) This exception does not apply if the person providing the benefit to the official is an individual who otherwise has business before the official as set forth in Regulation 18942(a)(18)(D).

6. Benefits received from a long-time personal friend where the gift is unrelated to the official's duties. The exception does not apply if the individual providing the benefit to the official is involved in some manner with business before the official. (Regulation 18942(a)(18)(C).) This exception does not apply if the person providing the benefit to the official is an individual who otherwise has business before the official as set forth in Regulation 18942(a)(18)(D).

7. Benefits received from an individual where it is clear that the gift was made because of an existing personal or business relationship unrelated to the official's position and there is no evidence whatsoever at the time the gift is made that the official makes or participates in the type of governmental decisions that may have a reasonably foreseeable material financial effect on the individual who would otherwise be the source of the gift. (Regulation 18942(a)(19).)

**Gift Exceptions Requiring Alternate Reporting**

Form 700 Reporting	C/I § 87100	Honoraria Ban	\$460 Gift Limit
Yes - As Income	Yes	No	No

A prize or award received in a bona fide contest or competition, or game of chance. **Note: Unlike the other exceptions, payments that fall into this exception must be reported as income if valued at \$500 or more.** To qualify for this exception the contest or competition must be unrelated to the official's duties. (Regulation 18942(a)(14).)

Reporting	C/I § 87100	Honoraria Ban	\$460 Gift Limit
Yes - On 801 or 802	No	No	No

The following exceptions are also applicable to payments made to a government agency that are used by officials in the agency under certain conditions to conduct agency business. These types of payments are not treated as gifts or income to the officials who use them, so long as the payments meet certain conditions and they are reported by the officials' agency. These reports must appear on either a Form 801 or Form 802, instead of the official reporting the items on a statement of economic interests (Form 700).

**Form 801:** This form covers gifts or donations made to an agency and used by one or more officials in the agency for agency business. This may include travel payments, reimbursements, or other uses by an official, but does not cover tickets or passes providing admission to an entertainment or sporting event, which are reported on the Form 802 (discussed below). If the payment meets the requirements of Regulations 18944 or 18950.1, the agency must report it on a Form 801 and the item is not reported on the individual's statement of economic interests (Form 700). (Regulations 18944 and 18950.1.)

**Form 802:** This form covers gifts or donations made to an agency that provide tickets or passes to an agency official for admission to an entertainment or sporting event. For the ticket or pass to be exempt from reporting on the individual's statement of economic interests (Form 700), the agency must have a written policy stating the public purpose for distribution of the tickets. The ticket or pass cannot be earmarked by the original source for use by a particular agency official and the agency must determine, in its sole discretion, which official may use the ticket or pass. (Regulation 18944.1.) The Form 802 is also used to report tickets provided for officials who perform a ceremonial role on behalf of the agency.

Reporting	C/I § 87100	Honoraria Ban	\$460 Gift Limit
Yes - Form 803 Behested Payment	No	No	No

Generally, payments made at the behest of an official that do not confer a personal benefit on an official such as those made by a third party to co-sponsor an event, or that are principally legislative, governmental or charitable in nature, are not gifts. However, when a local elected officer is making the behest, in some cases these payments may be considered "behested payments" under Section 82015(b)(2)(B)(iii) and (b)(3) and require disclosure by that elected officer.

**Form 803:** Behested payments are payments made principally for legislative, governmental, or charitable purposes. These payments are not for personal or campaign purposes. For example, a local elected official may ask a third party to contribute funds to a school in her district, or to a job fair or health fair. Generally, a donation will be "made at the behest" if it is requested, solicited, or suggested by the elected officer or member of the Public Utilities Commission, or otherwise made to a person in cooperation, consultation, coordination with, or at the consent of, the elected officer or PUC member. This includes payments behested on behalf of the official by his or her agent or employee. A behested payment does not include payments to an official from a local, state, or federal government agency for use by the official to conduct agency business. For example, free parking provided by a governmental entity to an official for agency business is not a behested payment and is not subject to reporting. Behested payments totaling \$5,000 or more from a single source in a calendar year must be disclosed by the official on a Form 803, which is filed with the official's agency within 30 days of the date of the payment(s). (Section 82015; Regulation 18215.3.)

**Very Limited Gift Exception**

Reporting	C/I § 87100	Honoraria Ban	\$460 Gift Limit
Yes - ½ value as gift	Yes	No	No

Wedding gifts are not subject to the \$460 gift limit. However, wedding gifts are reportable, but for purposes of valuing wedding gifts, one-half of the value of each gift is attributable to each spouse. (Regulation 18946.3.)

# Honoraria

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## The Prohibition

Local officials specified in Section 87200 (see page 2) are prohibited from receiving any honoraria payments. Officials and employees of local agencies who file statements of economic interests (Form 700) under the agency's conflict of interest code ("designated employees") may not receive honoraria payments from any source if the employee would be required to report income or gifts from that source on the Form 700, as outlined in the "disclosure category" portion of the conflict of interest code. (Section 89502.)

## What is an "Honorarium"?

An "honorarium" is any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering. An honorarium includes gift cards or any gift of more than nominal benefit provided in connection with an activity described above. An honorarium does not include items of nominal value such as a pen, pencil, note pad, or similar item. (Section 89501; Regulation 18932.4(e).)

A "speech given" means a public address, oration, or other form of oral presentation, including participation in a panel, seminar, or debate. (Regulation 18931.1.)

An "article published" means a nonfictional written work: 1) that is produced in connection with any activity other than the practice of a bona fide business, trade, or profession; and 2) that is published in a periodical, journal, newspaper, newsletter, magazine, pamphlet, or similar publication. (Regulation 18931.2.)

"Attendance" means being present during, making an appearance at, or serving as host or master of ceremonies for any public or private conference, convention, meeting, social event, meal, or like gathering. (Regulation 18931.3.)

The Act and Commission regulations provide certain exceptions to the prohibition on honoraria. (Section 89501(b); Regulations 18932 –18933.):

## Honoraria Exceptions that also apply to gifts and income

1. An honorarium that you return (unused) to the donor or the donor's agent or intermediary within 30 days. (Section 89501(b); Regulation 18933.)
2. An honorarium that is delivered to the official's local agency within 30 days for donation to the agency's general fund and for which you do not claim a deduction for income tax purposes. (Section 89501(b); Regulation 18933.)
3. A payment that is not delivered to you but is made directly to a bona fide charitable, educational, civic, religious, or similar tax-exempt, non-profit organization. However:
  - You may not make the donation a condition for your speech, article, or attendance;
  - You may not claim the donation as a deduction for income tax purposes;
  - You may not be identified to the non-profit organization in connection with the donation; and
  - The donation may have no reasonably foreseeable financial effect on you or on any member of your immediate family. (Regulation 18932.5.)

4. A payment received from your spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person. However, a payment that would be considered an honorarium is prohibited if one of these persons is acting as an agent or intermediary for someone else. (Regulation 18932.4(b).)

5. Any payment, unless specified otherwise, exempted under any of the "Gift Exceptions" listed above.

6. Payments received for a comedic, dramatic, musical, or other similar artistic performance, and payments received for the publication of books, plays, or screenplays. (Regulations 18931.1 and 18931.2.)

7. Reimbursements for reasonable travel expenses provided to you by a bona fide non-profit, tax-exempt (501(c)(3)) entity for which you provide equal or greater consideration. The payment would also be exempt from the definition of income under Section 82030(b)(2). (See discussion under "Travel Payments" below.)

**Honoraria Exceptions where the payment may still be considered income (or gifts, if consideration of equal or greater value is not provided by the official)**

1. Free admission, and refreshments and similar non-cash nominal benefits, provided to an official during the entire event at which he or she gives a speech, participates in a panel or provides a similar service, and in-California transportation and necessary lodging and subsistence provided directly in connection with the speech, panel or service, including meals and beverages on the day of the activity. (Regulation 18932.4(e).)

2. Income earned and payments for travel made in connection with personal services rendered by the official if the services are provided in connection with a bona fide business, trade, or profession — such as teaching, practicing law, medicine, insurance, real estate, banking, or building contracting — and the services are customarily provided in connection with the business, trade, or profession. (Section 89506(d)(3) and Regulations 18950(a) and 18950.2.)

This exception does not apply if the sole or predominant activity of the business, trade, or profession is making speeches. In addition, you must meet certain criteria to establish that you are conducting or in a bona fide business, trade, or profession (such as maintenance of business records, licensure, proof of teaching position) before a payment received for personal services which may meet the definition of honorarium would be considered earned income and not an honorarium. (Section 89501(b); Regulations 18932 –18932.3.) Earned income is required to be reported. Contact the FPPC for detailed information.

3. Travel payments provided to you by your government agency or by any state, local, or federal government agency which would be considered income and not a gift (i.e., payments for which you provide equal or greater consideration). (Section 89506(d)(2).) See discussion under "Travel Payments" below.

4. Certain payments for transportation, lodging, and subsistence are not considered honoraria but may be reportable as a gift or income and, if a gift, subject to the gift limit. (Sections 89501(c) and 89506.) See discussion under "Travel Payments" below.

# Travel Payments Exceptions

Generally, when an official receives a payment (including reimbursement) for his or her travel, that payment is a reportable gift or income under the Act. The term "travel payment" includes payments, advances, or reimbursements for travel, including actual transportation, parking and related lodging and subsistence. (Section 89506(a).)

If the payment is a gift, it is also normally subject to the Act's \$460 gift limit. If the payment is income, it may, in some cases, be an honorarium. And whether a payment is a gift or income, the official may be required to disqualify him or herself from any decision that will have a foreseeable materially financial effect on the source.

## Certain Travel Payments are not a Gift, Income or Honorarium

Reporting	C/ § 87100	Honoraria Ban	\$460 Gift Limit
No	No	No	No

The following travel payments are not a gift, income or honorarium under the Act and Commission regulations and are thus not reportable, potentially disqualifying, or subject to any of the Act's gift limits or the honorarium ban.

1. A payment for travel from a source that is not reportable on the official's statement of economic interests (Form 700) based on the provisions of the conflict of interest code of the official's agency.
2. A payment for travel from another local, state, or federal government agency and related per diem expenses when the travel is for education, training or other inter-agency programs or purposes. (Regulation 18950(a) and (c)(2).)
3. A payment for travel provided to the official in a vehicle or aircraft owned by another official or agency when each official is traveling to or from the same location for an event as a representative of their respective offices. (Regulation 18950(a) and (c)(3).)
4. Travel payments provided to the official by any state, local, or federal government agency as part of the official's employment with that agency or provided to the official by a bona fide non-profit, tax-exempt (501(c)(3)) entity for which the official provides equal or greater consideration. (Section 82030(b)(2).) Any person who claims to have provided consideration has the burden of proving that the consideration received is of equal or greater value.
5. Travel for Official Agency Business (Regulation 18950.1). Certain payments made to an agency to cover the travel expenses of an employee who travels in the course of carrying out agency business are not gifts to the official because these payments do not provide a "personal benefit" to the official. For this exception to apply, the agency must report the payment on a Form 801 and the amount and purpose for using the payments are restricted by the provisions set forth in Regulation 18950.1.
6. A payment for travel that constitutes a campaign contribution to an official (Sections 82015, 82028(b)(4); Regulations 18215, 18942(a)(4), 18950(a) and 18950.3(a)), and permissible expenditures of campaign funds for campaign-related travel (Regulations 18950(a) and 18950.3(b)), provided they comply and are properly reported in accordance with applicable campaign finance laws.
7. Payments made to a governmental entity for travel expenses that are required to fulfill the terms of a contract. Neither the governmental entity nor the public official has a reporting obligation because consideration has been provided. (Section 82028; *Ratto* Advice Letter, No. I-14-057.)

**Certain Travel Payments are Reportable and may Subject the Official to Possible Conflicts of Interest, but are not Subject to the \$460 Gift Limit or Honoraria Ban of the Act.**

Reporting	C/I § 87100	Honoraria Ban	\$460 Gift Limit
Yes	Yes	No	No

1. Travel Subject to Section 89506(a). Any payments for actual transportation expenses and related lodging and subsistence that are made for a purpose reasonably related to: (1) A legislative or governmental purpose, or (2) An issue of state, national, or international policy so long as the travel is either

(a.) In connection with a speech given by the official and the lodging and subsistence expenses are limited to the day immediately preceding, the day of, and the day immediately following the speech and the travel is within the United States, or

(b.) Provided by a government agency or authority, (including a foreign government), a bona fide public or private educational institution as defined in Section 203 of the Revenue and Taxation Code, or a nonprofit organization that qualifies under Section 501(c)(3) of the Internal Revenue Code or a foreign organization that substantially satisfies the criteria of that section.

These payments are still reportable on the Form 700 and may create a conflict of interest issue for the official.

Reporting	C/I § 87100	Honoraria Ban	\$460 Gift Limit
Yes - as Income	Yes	No	No

1. Payments for travel made in connection with personal services rendered by the official if the services are provided in connection with a bona fide business, trade, or profession — such as teaching, practicing law, medicine, insurance, real estate, banking, or building contracting — and the services are customarily provided in connection with the business, trade, or profession. (Section 89506(d)(3) and Regulations 18950(a) and 18950.2.) **These payments may be reportable as income to the official.**

# Loans

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Personal loans received by certain local officials are subject to limits and other restrictions, and in some circumstances, a personal loan that is not being repaid or is being repaid below certain amounts may become a gift to the official who received it.

## Limitations on Loans from Agency Officials, Consultants, and Contractors

If you are a local elected officer or an official specified in Section 87200 (see page 2), you may not receive a personal loan that exceeds \$250 at any given time from an officer, employee, member, or consultant of your government agency or an agency over which your agency exercises direction and control. (Section 87460(a) and (b).)

In addition, you may not receive a personal loan that exceeds \$250 at any given time from any individual or entity that has a contract with your government agency or an agency over which your agency exercises direction and control. This limitation does not apply to loans received from banks or other financial institutions, and retail or credit card transactions, made in the normal course of business on terms available to members of the public without regard to your official status. (Section 87460(c) and (d).)

## Loan Terms Applicable Only to Elected Officials

In addition to the limitations above, if you are a local elected officer, you may not receive a personal loan of \$500 or more unless the loan is made in writing and clearly states the terms of the loan. The loan document must include the names of the parties to the loan agreement, as well as the date, amount, interest rate, and term of the loan. The loan document must also include the date or dates when payments are due and the amount of the payments. (Section 87461.)

**The following loans are not subject to these limits and documentation requirements:**

1. Loans received by an elected officer's or candidate's campaign committee.
2. Loans received from your spouse, child, parent, grandparent, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person unless he or she is acting as an agent or intermediary for another person not covered by this exemption.
3. Loans made, or offered in writing, prior to January 1, 1998. (Sections 87460 and 87461.)

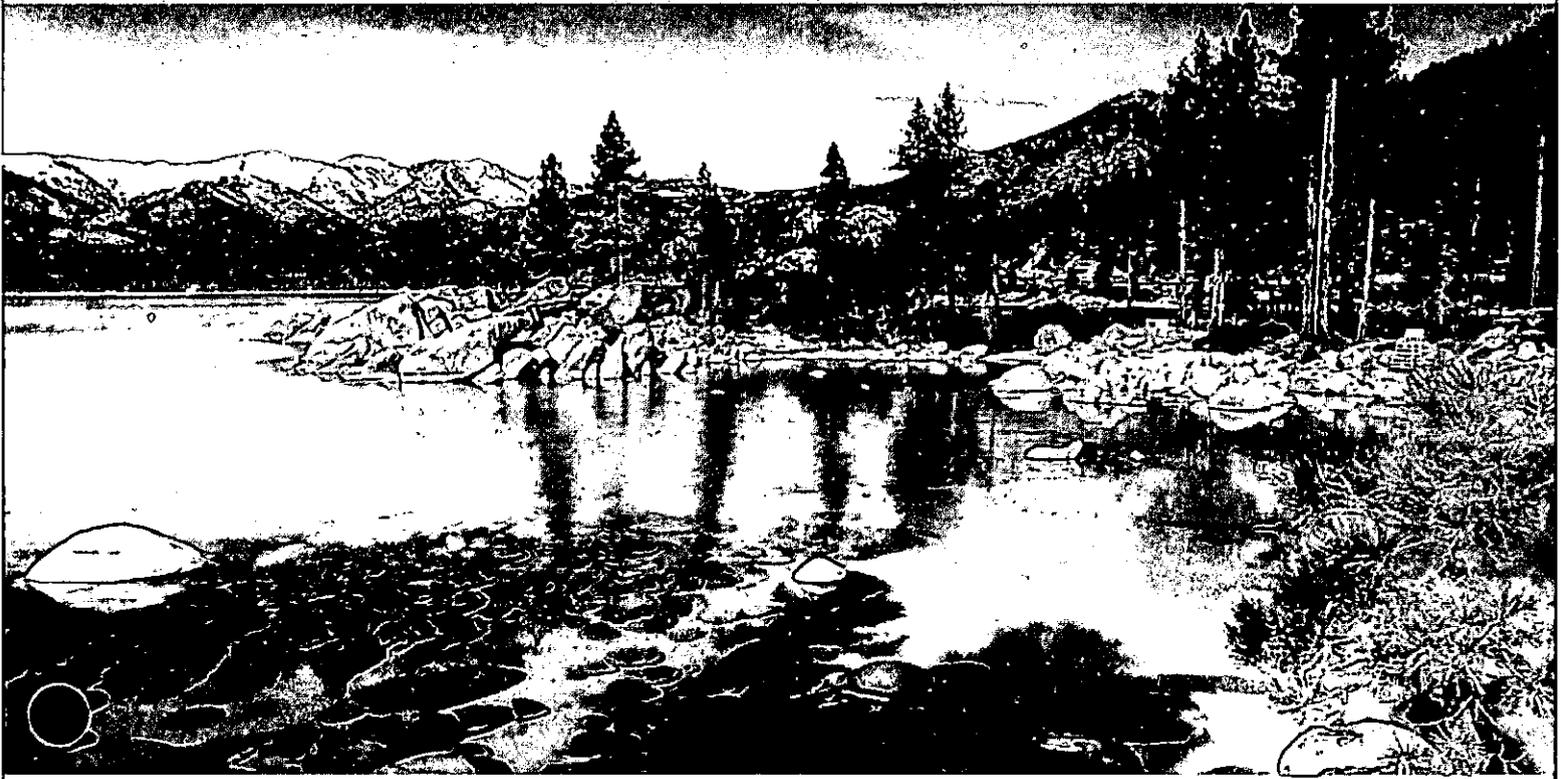
## Loans as Gifts

Under the following circumstances, a personal loan received by **any** public official (elected and other officials specified in Section 87200, as well as any other local official or employee required to file statements of economic interests) may become a gift and subject to gift reporting and limitations:

1. If the loan has a defined date or dates for repayment and has not been repaid, the loan will become a gift when the statute of limitations for filing an action for default has expired.
2. If the loan has no defined date or dates for repayment, the loan will become a gift if it remains unpaid when one year has elapsed from the later of:
  - The date the loan was made;
  - The date the last payment of \$100 or more was made on the loan; or
  - The date upon which you have made payments aggregating to less than \$250 during the previous 12 months. (Section 87462.)

**The following loans will not become gifts:**

1. A loan made to an elected officer's candidate's campaign committee. This loan would, however, be a campaign contribution. Consult the FPPC campaign manual for local candidates (Manual 2) for more details.
2. A loan described above on which the creditor has taken reasonable action to collect the balance due.
3. A loan described above on which the creditor, based on reasonable business considerations, has not undertaken collection action. (However, except in a criminal action, the creditor has the burden of proving that the decision not to take collection action was based on reasonable business considerations.)
4. A loan made to an official who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.
5. A loan that would not be considered a gift as outlined earlier in this fact sheet (e.g., loans from certain family members). (Section 87462.)



LOCAL CANDIDATES, SUPERIOR COURT JUDGES, THEIR  
CONTROLLED COMMITTEES, AND PRIMARILY FORMED  
COMMITTEES FOR LOCAL CANDIDATES  
CAMPAIGN DISCLOSURE MANUAL 2

# CONTENTS

Introduction . . . . .	Introduction – 1
<b>Chapter 1 – Getting Started . . . . .</b>	<b>1.1</b>
A. Candidates Raising and Spending Less than \$2,000	
B. Candidates Raising and Spending \$2,000 or More	
C. Candidate Controlled Committees – One Bank Account Rule	
D. Committees Primarily Formed to Support or Oppose a Candidate	
E. Establishing a Campaign Bank Account	
F. Form 501 (Candidate Intention Statement)	
G. Form 470 (Officeholder and Candidate Campaign Statement – Short Form)	
H. Form 410 – Statement of Organization	
<b>Chapter 2 – Finance Rules . . . . .</b>	<b>2.1</b>
A. Committee Treasurer and Principal Officer	
B. Candidate/Officeholder Responsibilities	
C. Education	
D. Committee Audits	
E. Campaign Bank Accounts	
F. Recordkeeping	
G. Mass Mailings, Telephone Calls, and Notices to Contributors of \$5,000 or More	
<b>Chapter 3 – Contributions . . . . .</b>	<b>3.1</b>
A. What is a Contribution?	
B. When is a Contribution Received?	
C. Contribution Exceptions	
D. Aggregating Contributions	
E. Reporting the Intermediary of a Contribution	
F. Reporting Various Types of Contributions	
G. Valuing Nonmonetary Contributions	
H. Valuing Mailings, Telephone Banks, Polls	
I. Notification to Contributors of \$5,000 or More	
J. Returning Contributions	
<b>Chapter 4 – Contribution Restrictions . . . . .</b>	<b>4.1</b>
A. Local Contribution Limits	
B. Restrictions under the Political Reform Act	
C. Public Funds and Public Resources	
D. Campaign Contributions and Disqualification	

# CONTENTS

<b>Chapter 5 – Use of Campaign Funds . . . . .</b>	<b>5.1</b>
A. Campaign Expenditures	
B. Surplus Funds	
<b>Chapter 6 – Communications . . . . .</b>	<b>6.1</b>
A. Payments for Communications Made by Candidate's Campaign	
B. Payments for Communications Made by Others	
C. Other Communications	
D. Non-Contributions	
<b>Chapter 7 – Advertisement Disclaimers . . . . .</b>	<b>7.1</b>
A. Which Communications Require an Ad Disclaimer?	
B. How Must the Disclaimer Appear?	
C. Advertisement Disclaimers for Communications by Candidate Committees for their own Election	
D. Advertisement Disclaimers for Independent Expenditure Ads Made by Committee Primarily Formed to Support or Oppose a Candidate	
E. Mass Mailings – E-Mails and Postal Mailings	
F. Telephone Calls	
G. Electronic Media Ads	
H. Newspaper, Radio and Television Ads	
I. Paid Spokespersons for Ballot Measure Ads	
J. Updating a Disclaimer	
K. Penalties	
<b>Chapter 8 – Committee Reports. . . . .</b>	<b>8.1</b>
A. Completing the Form 460 Cover Page	
B. Completing the Form 460 Cover Page – Part 2	
C. Completing the Form 460 Summary Page	
D. General Rules for Reporting Contributions Received	
E. Completing the Form 460 Schedule A	
F. Completing the Form 460 Schedule B – Part 1	
G. Completing the Form 460 Schedule B – Part 2	
H. General Rules for Reporting Nonmonetary Contributions Received	
I. Completing the Form 460 Schedule C	
J. General Rules for Reporting Expenditures Supporting/Opposing Other Candidates, Measures, and Committees	
K. Completing the Form 460 Schedule D	
L. General Rules for Reporting Payments Made and Accrued Expenses (Unpaid Bills)	
M. Completing the Form 460 Schedule E	
N. Completing the Form 460 Schedule F	

# CONTENTS

- O. General Rules for Reporting Payments Made by an Agent or Independent Contractor
- P. Completing Form 460 Schedule G
- Q. General Rules for Reporting Loans Made to Others
- R. Completing the Form 460 Schedule H
- S. General Rules for Reporting Miscellaneous Increases to Cash
- T. Completing the Form 460 Schedule I

**Chapter 9 – When and Where to File Form 460 . . . . . 9.1**

- A. General Information
- B. When to File
- C. Where to File

**Chapter 10 – Additional Reports . . . . . 10.1**

- A. 24-Hour Contribution Report (Form 497)
- B. Independent Expenditure Reporting
- C. Special Odd-Year Report (Form 460 or 450)
- D. Advertisement Reports

**Chapter 11 – After the Election and Terminating the Committee . . . . . 11.1**

- A. Successful Candidates
- B. Defeated Candidates
- C. Candidates Using Leftover Campaign Funds for a Future Election
- D. Primarily Formed Committees
- E. Terminating the Committee
- F. Receiving a Refund After the Committee Has Terminated

**Appendix – About the Political Reform Act/How to Get Help. . . . .Appendix – 1**

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# ● INTRODUCTION

## **Purpose of this Manual**

The purpose of California's Political Reform Act (Act) is to ensure that disclosure of political payments is accurate, timely, and made in a transparent manner. Clear and accurate disclosure is essential for making voters aware of who is paying for political messages so they may evaluate the content and make informed decisions when voting.

In California, the true source of a contribution must be disclosed. This manual sets out the campaign reporting requirements for the following:

- Local candidates
- Superior Court judges and candidates for Superior Court
- Local candidate controlled committees
- Committees primarily formed to support or oppose a local candidate(s)

Since the Political Reform Act was approved by California voters in 1974, there have been more than 200 amendments to the Act's campaign disclosure provisions. This manual has been prepared to assist local candidates and committees in complying with the Act's numerous and often detailed rules. The manual is written in a "user friendly" format so that candidates and committees have a resource guide. At the end of each chapter, a list of statutes and regulations that provide authority for the information in that chapter is provided. The statutes and regulations may be accessed on the FPCC website.

This manual describes the state campaign finance and disclosure laws under the Act that apply to local candidates and committees. Many cities and counties have adopted local campaign ordinances that contain additional restrictions and requirements. Local candidates and committees should check with their local elections office or ethics agency to determine if there are additional local requirements and restrictions, such as contribution limits.

In addition, federal and state tax laws and other rules may also apply. The Appendix contains telephone numbers and website addresses for the Federal Election Commission, the Internal Revenue Service, the California Franchise Tax Board, and the Federal Communications Commission.

State candidates and officeholders, their controlled committees, and committees primarily formed to support or oppose a state candidate(s) should refer to FPPC's Campaign Disclosure Manual 1.

### **Controlling Law**

This manual summarizes key campaign disclosure laws and regulations and draws from years of FPPC staff advice on complying with the Act's campaign disclosure laws. Each committee's activity is different, however, and may raise issues not discussed in this manual. If there are any discrepancies between the manual and the Act or its corresponding regulations, the Act and its regulations will control.

### **Need Help?**

If you need assistance, the Fair Political Practices Commission (FPPC) provides advice by email and through a toll-free telephone advice line. The FPPC does not provide third party advice or advice on past conduct. The FPPC website ([www.fppc.ca.gov](http://www.fppc.ca.gov)) contains forms, manuals, and a wealth of other helpful information.

Email Advice	Telephone Advice
<a href="mailto:advice@fppc.ca.gov">advice@fppc.ca.gov</a>	1-866-ASK FPPC (1-866-275-3772)

# GETTING STARTED

This chapter outlines the requirements for candidates and committees primarily formed to support or oppose a candidate(s) to start their campaigns. In the Political Reform Act (Act) and this manual, “candidates” includes non-incumbent candidates, officeholders, officeholders running for reelection, and officeholders running for election to another office.

Before raising or spending money in connection with an election, candidates and committee treasurers should become familiar with the various campaign disclosure forms applicable to the type of campaign or committee involved.

The chapter is broken down by candidates who will raise and spend less than \$2,000, candidates who will raise and spend more than \$2,000, and committees primarily formed to support or oppose a candidate(s) that are not controlled by the candidate(s) being supported.

In addition to filing the **campaign statements** described in this chapter, most candidates must also file a **Statement of Economic Interests** (Form 700). The Form 700 is used to disclose an individual’s personal financial interests that could potentially be affected by the individual’s decisionmaking. Candidates must disclose investments and interests in real property held on the day the declaration of candidacy is due, as well as income received during the 12 months prior to the date of filing the declaration of candidacy. The Form 700 candidate statement is due no later than the final filing date for the declaration of candidacy and is filed with the city clerk or county elections office where the declaration of candidacy is filed. The FPPC’s website contains additional information about the Form 700.

## Quick Tip

Elected officials are included as “candidates” under the Act until they have left elective office and terminated any committees.

## Quick Tip

The FPPC’s website includes a comprehensive and user-friendly toolkit for new candidates.

## A. Candidates Raising and Spending Less than \$2,000

A candidate who does not plan to raise or spend \$2,000 or more in a calendar year, including the candidate’s personal funds, must file one or both of the following campaign statements.

- **Form 501** (Candidate Intention Statement). The Form 501 must be filed only if the candidate plans to raise or spend any money, including the candidate's personal funds.
- **Form 470** (Officeholder and Candidate Campaign Statement—Short Form). The Form 470 may be filed by a candidate or officeholder who does not anticipate raising or spending \$2,000 or more in a calendar year.

Personal funds used to pay filing or ballot statement fees are not counted toward the \$2,000 committee qualification threshold. If a candidate does not raise any money and personal funds are used only to pay filing or ballot statement fees, the candidate is not required to file the Form 501.

If *any* monetary contributions will be received from others, a separate campaign bank account must be established.

If a candidate files the Form 470 covering a calendar year and later in that calendar year receives contributions totaling \$2,000 or more, the candidate must file a Form 470 Supplement. The candidate must also file the Form 410 (Statement of Organization) and begin filing the Form 460 (Recipient Committee Campaign Statement). If a bank account has not already been established, the candidate must also establish a campaign bank account.

**Exception:** A candidate for a county central committee of a qualified political party who receives contributions of less than \$2,000 and who makes expenditures of less than \$2,000 is not required to file any campaign statements, including the Form 501 and Form 470. County central committee candidates who raise or spend \$2,000 or more in a calendar year are subject to the Act's campaign reporting requirements.

## **B. Candidates Raising and Spending \$2,000 or More**

A candidate who plans to raise or spend \$2,000 or more in a calendar year, including the candidate's personal funds, must:

### **Quick Tip**

Personal funds used to pay filing or ballot statement fees are not counted toward the \$2,000 threshold.

- File the **Form 501** (Candidate Intention Statement).
- File the **Form 410** (Statement of Organization).
- Establish a campaign **bank account**.

A candidate or officeholder who would like to use leftover campaign funds from a previous election must redesignate or transfer the funds before they become "surplus funds." (See Chapters 5 and 11.)

As discussed in detail later in the manual, once a candidate controlled committee has raised or spent \$2,000 or more, the following reports must also be filed:

- **Form 497** (24-hour Contribution Report). Within 90 days before the election, including the date of the election, if a committee receives a contribution(s) of \$1,000 or more from a single source, the Form 497 must be filed within 24 hours.
- **Form 460** (Recipient Committee Campaign Statement). The Form 460 contains an overview of the committee's activity during a specified period. It is used to file semi-annual and preelection statements.

### **Committees Controlled by Two or More Candidates**

If two or more candidates form one committee to support their candidacies for elective office, such as a slate of candidates running for school board or city council, they must:

- Each file the **Form 501**(Candidate Intention Statement).
- File one **Form 410** (Statement of Organization).
- Establish **one bank account** for the committee (each candidate must deposit all contributions and make all expenditures from this bank account).

Committees controlled by two or more candidates file only one **Form 460** (Recipient Committee Campaign Statement) to disclose the committee's activity each time the statement is due.

## C. Candidate Controlled Committees – One Bank Account Rule

Under the Act, a candidate or officeholder must establish one controlled committee with one bank account for each election. All contributions must be deposited in and all expenditures must be made from the campaign bank account. The Act's one committee/one bank account rule for candidates and elected officeholders gives clear disclosure of the candidate or elected officeholder's campaign finances and ensures compliance with applicable local contribution limits, if any. A committee set up by the candidate or officeholder for his or her election is the candidate's controlled committee.

A candidate controls a committee if he or she has a significant influence on the actions or decisions of the committee or acts jointly with the committee in connection with its expenditures. Under the one committee/one bank account provisions of the Act, a candidate or officeholder who controls a committee for his or her election may not at the same time control a general purpose committee, such as an "Improve River City" committee. In limited circumstances, exceptions to the one committee/one bank account rule exist to permit a local candidate or officeholder to control a ballot measure committee, legal defense fund, or officeholder expense committee (if provided by local ordinance).

## D. Committees Primarily Formed to Support or Oppose a Candidate

A "primarily formed committee" is formed to support or oppose a single candidate or a group of candidates all being voted on in the same election but is not controlled by the candidate(s) who is being supported. Primarily formed committees:

- Must file **Form 410** (Statement of Organization).
- Should establish a campaign **bank account**.

As discussed in detail later in the manual, once a committee has raised or spent \$2,000 or more, the following reports must also be filed:

### Quick Tip

A candidate or officeholder may only have one committee with one bank account per election.

### Quick Tip

A "primarily formed candidate committee" is a committee not associated with the candidate whose main activity is making independent expenditures for the candidate or against their opponent.

- **Form 497** (24-hour Contribution Report). Within 90 days before the election, including the date of the election, if a primarily formed committee makes a contribution(s) of \$1,000 or more to a candidate or ballot measure committee or receives a contribution(s) of \$1,000 or more from a single source, the Form 497 must be filed within 24 hours.
- **Form 496** (24-hour Independent Expenditure Report). Within 90 days before the election, including the date of the election, if a primarily formed committee makes an independent expenditure of \$1,000 or more, the Form 496 must be filed within 24 hours. The Form 462 (Verification of Independent Expenditures) must also be filed. See Chapter 10 for additional information on the Form 462.
- **Form 460** (Recipient Committee Campaign Statement). The Form 460 contains an overview of the committee's activity during a specified period. It is used to file semi-annual and preelection statements.

**Quick Tip**

A candidate's own committee for election is not a "primarily formed" committee although it supports one candidate – it is a "candidate controlled" committee.

A primarily formed committee is not required to file the Form 501. A primarily formed committee with little or no activity may be eligible to file the Form 450 or Form 425 instead of the Form 460. (See Chapter 8.)

## E. Establishing a Campaign Bank Account

Candidates who anticipate soliciting or receiving contributions from others, or who anticipate spending \$2,000 or more of their personal funds in connection with their election, must open a campaign bank account. The account may be established at any financial institution (i.e, bank, credit union) located in California. A candidate's personal funds used to pay the filing fee or the ballot statement fee do not count toward the \$2,000 committee qualification threshold.

Under the Act's one bank account provisions discussed above, a candidate or officeholder may only have one controlled committee with one bank account per election. Candidates running for one office while holding another may establish a separate campaign bank account for each office, but may not have more than one bank account per office per election.

Although primarily formed committees are not required to establish a campaign bank account, it is recommended that they do so. Pre-numbered and pre-printed checks with the committee's name are useful in meeting the recordkeeping requirements described in Chapter 2.

Campaign contributions may not be commingled with any individual's personal funds. All contributions must be deposited in, and expenditures must be made from, the campaign bank account. Except as noted below, candidates must first deposit personal funds to be used for the campaign in the campaign bank account before making campaign expenditures, even if the candidate does not expect to be reimbursed.

**Exceptions:**

- Candidates may use their personal funds to pay a filing fee or a ballot statement fee without first depositing the funds into the campaign bank account.
- An officeholder may use personal funds to pay officeholder expenses.
- A candidate may contract with a vendor or collecting agent to collect contributions prior to promptly transferring the funds to the candidate's campaign bank account without violating the requirement that the candidate have no more than one bank account. Fees deducted by the vendor are considered expenditures from the campaign bank account at the time they are deducted.

**Quick Tip**

The Political Reform Act does not require a federal tax ID number. However, most banks will require one in order to open a campaign bank account. A tax ID number may be obtained on the IRS website, [www.irs.gov](http://www.irs.gov).

**Quick Tip**

Campaign funds must be kept separate from personal funds.

## F. Form 501 (Candidate Intention Statement)

Before soliciting or receiving any contributions or making expenditures from personal funds, a candidate must file the Form 501 with the filing officer who will receive the candidate's original campaign statements (i.e., city clerk or county elections). Judicial candidates file the Form 501 with the Secretary of State. A new Form 501 must be filed for each election, even if the candidate is running for reelection to the same office. The Form 501 is considered filed on the date it is postmarked or hand-delivered.

Candidate Intention Statement		Type or Print in Ink.	Date Stamp	CANDIDATE INTENTION STATEMENT <b>CALIFORNIA FORM 501</b> For Official Use Only
<b>A</b> Check One: <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Amendment (Explain) _____ _____				
<b>1</b> <b>Candidate Information:</b>				
NAME OF CANDIDATE (Last, First, Middle Initial)		DAYTIME TELEPHONE NUMBER	FAX NUMBER (optional)	E-MAIL (optional)
Cole, Rayna		( 707 ) 555-1234	( 707 ) 555-1235	rcoale@gmail.com
STREET ADDRESS		CITY	STATE	ZIP CODE
1212 Fourth Avenue		Oakmont	CA	95443
OFFICE SOUGHT (POSITION TITLE)	AGENCY NAME	DISTRICT NUMBER, if applicable	<input checked="" type="checkbox"/> NON-PARTISAN	
City Council	City of Oakmont	1	PARTY:	
OFFICE JURISDICTION				
<input type="checkbox"/> State (Complete Part 2.) <input checked="" type="checkbox"/> City <input type="checkbox"/> County <input type="checkbox"/> Multi-County: _____ (Name of Multi-County Jurisdiction)				
_____ 20XX (Year of Election) (Year of Election)				
<b>2</b> <b>State Candidate Expenditure Limit Statement:</b> <i>(CalPERS and CalSTRS candidates, judges, judicial candidates, and candidates for local offices do not complete Part 2.)</i>				
_____ Primary/general election (Year of Election)		_____ Special/runoff election (Year of Election)		
(Check one box)				
<input type="checkbox"/> I accept the voluntary expenditure ceiling for the election stated above.				
<input type="checkbox"/> I do not accept the voluntary expenditure ceiling for the election stated above.				
Amendment:				
<input type="radio"/> I did not exceed the expenditure ceiling in the primary or special election held on: ____/____/____ and I accept the voluntary expenditure ceiling for the general or special run-off election.				
_____				
(Mark if applicable)				
<input type="checkbox"/> On ____/____/____, I contributed personal funds in excess of the expenditure ceiling for the election stated above.				
<b>3</b> <b>Verification:</b> I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.				
Executed on _____ [Date Required]		Signature _____ [Signature Required]		
(month, day, year)		(Candidate)		

FPPC Form 501 (April/2011)  
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

## Completing the Form 501

### **A** Type of Statement

Check the appropriate box to indicate the type of statement being filed:

- **Initial:** If this is the first Form 501 being filed for the election.
- **Amendment:** If any changes occur on a previously filed Form 501 (e.g., a change of address). Provide a brief explanation of the change(s).

### **1** Candidate Information

Provide the candidate's full name, street address (a business address may be used), and a daytime telephone number. A fax number and e-mail address may also be provided.

#### **Office Sought**

Enter the title of the office sought (e.g., County Supervisor).

#### **Agency Name**

Enter the name of the agency (e.g., County of Riverside).

#### **District Number**

Enter the district number or letter, if applicable.

#### **Office Jurisdiction**

Check the appropriate box to indicate the jurisdiction of the office being sought:

- **Multi-County:** Candidates seeking an elective office where the jurisdiction of the agency contains parts of two or more counties (e.g., water district). Enter the name of the multi-county jurisdiction.
- **County:** Candidates seeking an elective county office (including superior court judge and most school board members).
- **City:** Candidates seeking an elective city office.

## Year of Election

Enter the year of the election for the office being sought. Month and day are not required.

## 2 State Candidate Expenditure Limit Statement

This section does not apply to local candidates. It applies only to candidates for State Senate and Assembly and candidates seeking a state office.

## 3 Verification

The Form 501 must be signed by the candidate. It is not considered filed if it is not signed.

### Answering Your Questions

#### A. When may I begin to solicit and receive contributions for my election?

You may solicit and receive contributions once you have mailed or hand-delivered the Form 501.

#### B. I am only going to pay the required county election fees to get my name on the ballot. No additional money will be raised or spent. Must I file the Form 501?

No. As long as your only expenditures are for the ballot qualification fees and no money will be raised, the Form 501 is not required.

#### C. Am I required to file the Form 501 when I run for reelection to the same office?

Yes. If you seek reelection to the same office, you are required to file an "Initial" Form 501 prior to raising or spending any money for the new election.

**D. Am I required to file a document to withdraw as a candidate?**

The FPPC does not administer the laws that govern what candidates must do to appear on a ballot or to remove their names from a ballot. Contact your local filing officer.

**E. Am I required to file the Form 501 if I will set up a committee to fight my recall?**

No. An officeholder who is the target of a recall is not required to file the Form 501.

**F. Am I required to file the Form 501 if I am a replacement candidate in a recall election?**

Yes. Replacement candidates must file the Form 501.

**G. Are candidates who are seeking election to a particular district or seat (e.g., city council or community college board of trustees) required to specify the district/seat on the Form 501?**

Yes. Each district/seat on the city council or the community college board of trustees is considered a specific office. Note: The "district number" is not required for candidates running for mayor or city council at large.

**H. I have completed the process to be an official write-in candidate. Do I have any reporting obligations?**

Yes. You have the same reporting obligations as any other candidate.

## G. Form 470 (Officeholder and Candidate Campaign Statement – Short Form)

The Form 470 must be filed by a candidate or officeholder who does not anticipate raising or spending \$2,000 or more in a calendar year. Payments from the candidate's personal funds used to pay filing or ballot statement fees do not count toward the \$2,000 committee qualification threshold.

The Form 470 may not be used if the candidate or officeholder has an existing controlled committee established for a past election, future election, or ballot measure (including recalls).

There are special exceptions, discussed below, that apply to judges and unpaid elected officeholders (officeholders who receive salaries of less than \$200 per month).

### When to File the Form 470 in Connection With an Election

#### Non-Incumbent Candidates

**Candidates on ballot in first six months of the calendar year.** The Form 470 may be filed with the declaration of candidacy but must be filed no later than the deadline for the first preelection statement.

**Candidates on ballot in last six months of the calendar year.** If the candidate receives contributions or makes expenditures:

- Before June 30: Form 470 must be filed by July 31.
- After June 30: Form 470 may be filed with the declaration of candidacy but must be filed no later than the deadline for the first preelection statement.

Candidates running in an election in the first three months of the year may be required to file the Form 470 in October, November, or December of the previous non-election year, as well as in the election year. Candidates should review the applicable filing schedule.

#### Quick Tip

If the Form 470 is filed and the candidate then raises or spends \$2,000 or more in that calendar year, the candidate must file the Form 470 Supplement, the Form 410, and begin filing the Form 460.

**Ex 1.1 - Non-incumbent judicial candidate Janice Chambers is listed on the November ballot. She does not intend to raise or spend \$2,000 in connection with her election. By June 30, she had received no contributions and her only expenditures were for the filing and ballot statement fees paid for with her personal funds. Janice is required to file Form 470 by the first preelection filing deadline.**

## Officeholders on the Ballot

If an officeholder will be listed on a ballot during the first six months of the calendar year, the Form 470 (covering the year of the election) may be filed with the declaration of candidacy but must be filed no later than the filing deadline for the first preelection statement required in connection with the election. If the election will be held during the last six months of the calendar year, the Form 470 must be filed no later than July 31.

## Judges and Unpaid Elected Officeholders on the Ballot

During an election year, the deadline for filing the Form 470 will depend on the date of the election. Judges and unpaid officeholders running in an election during the first six months of the year may file the Form 470 (covering the year of the election) with the declaration of candidacy but must be filed no later than the filing deadline for the first preelection statement required in connection with the election.

If the election will be held during the last six months of the year, the Form 470 must be filed by July 31 if any funds were raised or spent (other than the candidate's personal funds for a filing or ballot statement fee) between January 1 and June 30. If no contributions were received or expenditures made by June 30, the Form 470 may be filed with the declaration of candidacy but must be filed no later than the filing deadline for the first preelection statement required in connection with the election.

## Officeholders and Judges Not on a Ballot

See Chapter 11 for the reporting obligations of officeholders and judges who are not listed on the ballot.

## Where to File Form 470

Candidate/Officeholder	Where to File	What to File
Judges	Secretary of State	Original and one copy
	County of Domicile	One copy
Multi-County Offices (Local agencies with jurisdiction in more than one county)	County with largest number of registered voters	Original and one copy
	County of Domicile, if different	One copy
County offices	County Elections Office	Original and one copy
City offices	City Clerk	Original and one copy

**Ex 1.2** - A city council election will be held in February. The first preelection statement for this election is due in December of the previous year. A candidate that does not meet the \$2,000 committee threshold must file the Form 470 by the first preelection statement due date. The second preelection statement is due in January. If the candidate will not raise or spend \$2,000 or more during the year of the election, another Form 470 covering the entire calendar year of the election must be filed by the second preelection statement deadline since the Form 470 filed in December of the previous year covered the period ending December 31 of that calendar year.

**Ex 1.3** - Judge Mercado is listed on the November ballot and anticipates raising and spending less than \$2,000 for his reelection. By June 30, he had received no contributions since January 1 and his only expenditures were for the filing and ballot statement fees paid for with his personal funds. The judge is not required to file by the July 31 semi-annual filing deadline, but must file a Form 470 by the first preelection filing deadline.

**Officeholder and Candidate  
Campaign Statement -  
Short Form**

**CALIFORNIA  
FORM 470**  
For Official Use Only

**A** Date of election if applicable:  
(Month, Day, Year)  
6/6/XX

Amendment (Explain Below)

Date Stamp

**1** Statement Covers Calendar Year 20 XX.

**2** **Officeholder or Candidate Information**

NAME OF OFFICEHOLDER OR CANDIDATE  
Rayna Cole

STREET ADDRESS  
1212 Fourth Avenue

CITY STATE ZIP CODE  
Oakmont CA 95443

AREA CODE/DAYTIME PHONE NUMBER OPTIONAL: FAX / E-MAIL ADDRESS  
707-555-1234 707-555-1235/ rcole@gmail.com

**3** **Office Sought or Held**

OFFICE SOUGHT OR HELD  
City Council

JURISDICTION (LOCATION) DISTRICT NUMBER (IF APPLICABLE)  
City of Oakmont 1

**4** **Committee Information**  
List all committees of which you have knowledge that are primarily formed to receive contributions or to make expenditures on behalf of your candidacy.

COMMITTEE NAME AND ID NUMBER	COMMITTEE ADDRESS	NAME OF TREASURER
Friends Supporting Rayna Cole for City Council 20XX ID Number 1533XX	1618 C Street Oakmont, CA 95443	Gabriel Stoll

**5** **Verification**

I declare under penalty of perjury that to the best of my knowledge I anticipate that I will receive less than \$2,000 and that I will spend less than \$2,000 during the calendar year and that I have used all reasonable diligence in preparing this statement. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on \_\_\_\_\_ [Date Required] \_\_\_\_\_ By \_\_\_\_\_ [Signature Required] \_\_\_\_\_  
DATE SIGNATURE OF OFFICEHOLDER OR CANDIDATE

FPPC Form 470/470 Supplement (Jan/2016)  
FPPC Advice: [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov) (866/275-3772)  
[www.fppc.ca.gov](http://www.fppc.ca.gov)

**Completing the Form 470**

**A** **Date of Election**

If the candidate or officeholder is running in an election during the calendar year, indicate the month, day, and year of the election.

**1** **Period Covered**

The period covered is always the calendar year.

**2** **Officeholder or Candidate Information**

Provide the candidate/officeholder's full name, street address (a business address may be used), and a daytime telephone number. A fax number and e-mail address may also be provided.

### **3 Office Sought or Held**

Indicate the office being sought or held and provide the location and district number of the office, if applicable.

### **4 Committee Information**

A candidate or officeholder who is aware of a primarily formed committee that is receiving contributions and making expenditures on behalf of his or her candidacy must disclose the primarily formed committee's name, identification number, address, and the name of the treasurer.

### **5 Verification**

The Form 470 must be signed by the candidate/officeholder. It is not considered filed if it is not signed.

**Ex 1.4** - Rayna Cole's neighbors formed the Friends Supporting Rayna Cole for City Council 20XX committee. Ms. Cole is aware of the committee but has no involvement with its day-to-day activities. Ms. Cole must disclose the committee's information on her Form 470.

## **Answering Your Form 470 Questions**

### **A. What reporting period does the Form 470 cover?**

The Form 470 is filed once each calendar year and covers the entire calendar year. When you file the Form 470 covering the year of the election with your declaration of candidacy, or on or before the deadline for filing your first preelection statement, you do not need to file any additional campaign statements as long as you do not raise or spend \$2,000 or more during the calendar year.

### **B. If I am a non-incumbent candidate, am I required to file the Form 470 in connection with my election if I am running unopposed, my name does not appear on the ballot, and the only expenditure I make is from personal funds for a filing or ballot statement fee?**

No. A Form 470 is not required. However, once you assume office, a Form 470 may be required.

**C. If I am in a January election and will not raise or spend \$2,000 in connection with that election, when am I required to file Form 470?**

You must file Form 470 in November of the preceding year (the deadline for filing your first preelection statement in connection with the January election). In addition, if your second preelection statement is due in January, another Form 470 must be filed because a Form 470 is required for each calendar year. The first Form 470 covers the calendar year preceding the election, and the second Form 470 covers the calendar year in which the election takes place.

**D. I am running as a non-incumbent candidate for city council in November. I filed a Candidate Intention Statement (Form 501) and Statement of Organization (Form 410) to form a committee on May 1, but I did not qualify as a committee by June 30th. Should I file the Form 470 or the Form 460 by the July 31 semi-annual due date?**

Because you intend to raise \$2,000 or more in the calendar year, you should file the Form 460. This allows you to avoid the requirement to file the Form 470 Supplement within 48 hours of raising or spending \$2,000 or more. But, it is permissible to file the Form 470 since the committee qualification threshold was not met by June 30th.

**E. I am a city council member and I closed my campaign committee in March. May I file the Form 470 for the statement due July 31?**

No. You may not file the Form 470 if you had an open committee at any time during the calendar year or intend to have one later in the year. You must continue filing the Form 460 as an officeholder for the remainder of the calendar year. The Form 470 may be filed the following calendar year if you do not have, nor intend to have, a committee for that entire calendar year.

**F. I am in a June election this year and filed a Form 470 for last year because I started raising money in December. Am I required to file a 470 Supplement if I receive contributions totaling more than \$2,000 in January?**

No. The Form 470 Supplement is only required if you file the Form 470 and subsequently raise or spend \$2,000 in the same calendar year. Since you filed the Form 470 last year, but did not meet the \$2,000 committee qualification threshold until the following calendar year, you are not required to file the Form 470 Supplement. You must file the Form 410 (Statement of Organization) and begin filing the other applicable campaign reports (e.g., Form 460, Form 497).

### **Form 470 Supplement**

If a candidate files a Form 470 covering a calendar year in which the candidate is running in an election (i.e., with the declaration of candidacy, in lieu of a first preelection statement, or for the June 30 semi-annual filing) and later receives contributions totaling \$2,000 or more, or makes expenditures totaling \$2,000 or more, the candidate must file a Form 470 Supplement.

## When and Where to File the Form 470 Supplement

The Form 470 Supplement must be filed within 48 hours of receiving or spending \$2,000 or more.

The notification is sent to:

- Secretary of State's Office;
- Each candidate seeking the same office; and
- City or county clerk, or county registrar of voters, if the candidate is running for a city or county office.

The notification must be sent by guaranteed overnight delivery, personal delivery, fax, or email.

The candidate must also file a Statement of Organization (Form 410) and begin filing the Recipient Committee Campaign Statement (Form 460). The 24-hour Contribution Report (Form 497) may also be required.

**Officeholder and Candidate  
Campaign Statement -  
Form 470 Supplement**

SEE INSTRUCTIONS ON REVERSE

**Amendment** (Explain Below)

\_\_\_\_\_

\_\_\_\_\_

Date Stamp

**CALIFORNIA  
FORM 470**

For Official Use Only

This form is written notification that the officeholder/candidate listed below has received contributions totaling \$2,000 or more or has made expenditures of \$2,000 or more during the calendar year.

<b>1. Officeholder or Candidate Information</b>			
NAME OF OFFICEHOLDER OR CANDIDATE			
Rayna Cole			
STREET ADDRESS			
1212 Fourth Avenue			
CITY	STATE	ZIP CODE	
Oakmont	CA	95443	
AREA CODE/DAYTIME PHONE NUMBER		OPTIONAL: FAX / E-MAIL ADDRESS	
707-555-1234		707-555-1235/ rcole@gmail.com	
<b>2. Office Sought</b>			
OFFICE SOUGHT		DISTRICT NUMBER (IF APPLICABLE)	
Oakmont City Council		1	
DATE OF ELECTION (MONTH, DAY, YEAR)			
6/6/XX			
<b>3. Date Contributions Totaling \$2,000 or More Were Received or Date Expenditures of \$2,000 or More Were Made</b>			
4/1/XX			
(MONTH, DAY, YEAR)			

FPPC Form 470/470 Supplement (Jan/2016)  
FPPC Advice: advice@fppc.ca.gov (866/275-3772)  
www.fppc.ca.gov

**Completing the Form 470 Supplement**

**1 Officeholder or Candidate Information**

Provide the candidate/officeholder's full name, street address (a business address may be used), and a daytime telephone number. A fax number and e-mail address may also be provided.

**2 Office Sought**

Indicate the office being sought, the date of the election, and the district number, if applicable.

**3 Date \$2,000 Threshold Was Met**

Provide the date contributions totaling \$2,000 or more were received or the date expenditures of \$2,000 or more were made.

## H. Form 410 – Statement of Organization

A candidate controlled committee or a committee primarily formed to support or oppose a candidate (or group of candidates in the same election) that raises or spends \$2,000 or more in a calendar year qualifies as a recipient committee and must file Form 410. The Form 410 identifies the name of the committee and provides the public with information regarding the committee's purpose and its officers.

### Annual Committee Fees

All committees that file a Form 410 must pay a \$50 fee to the Secretary of State no later than 15 days after the Form 410 is filed. Committees must pay the fee annually by January 15 until the committee terminates. If the annual fee is not paid by the January 15 deadline, the law imposes a \$150 penalty, which will require the committee to pay a total of \$200 (the \$50 annual fee plus the \$150 late penalty). Failure to pay the fine will result in a referral to the FPPC's Enforcement Division.

**Note:** Committees that are created and pay the initial \$50 fee in the last three months of a calendar year are not subject to the annual fee in the subsequent year.

If the committee is going to terminate, in order to avoid the fee for the subsequent year, a committee must cease activity by December 31 of the current year and file the terminating Form 410 with the Secretary of State on or before January 31 of the next year. There is no provision for extension of the deadline and fee payment.

### When and Where to File the Form 410

File the original and one copy of the Form 410 with the Secretary of State within 10 days of raising or spending \$2,000 or more.

Send the Form 410 to:

Secretary of State  
Political Reform Division  
1500 11th Street, Suite 495  
Sacramento, CA 95814

**Ex 1.5** - On February 15, a candidate for mayor opened a campaign bank account with a personal loan of \$2,500. By February 25, the Form 410 must be sent to the Secretary of State and a copy to the city clerk.

In addition, candidates for local office and committees primarily formed to support or oppose local candidates must file a copy of the Form 410 with the local filing officer (i.e., city clerk or county elections) with whom the committee will file its original campaign statements.

The Form 410 may be filed prior to raising or spending \$2,000, but then must be amended within 10 days of reaching the \$2,000 threshold to disclose the date the committee qualified.

### **24-Hour Deadline for the Form 410**

A committee that qualifies during the last 16 days before the election must file Form 410 within 24 hours of qualifying. The Form 410 must be provided to the filing officer with whom the committee will file its original campaign disclosure statements (e.g., Form 460) by fax, guaranteed overnight delivery, or personal delivery. In addition, an original Form 410 must be filed with the Secretary of State within 10 days of qualifying as a committee (regular mail may be used).

### **Committee ID Number**

Upon receipt of the Form 410, the Secretary of State's office will assign the committee an identification number. This number is used on all reporting forms. After filing the Form 410, committees may go to the Cal-Access section of the Secretary of State's website to obtain the committee identification number. Contact the Secretary of State's office at (916) 653-6224 with any other questions about obtaining a committee identification number.

### **Amending the Form 410**

When any information on the Form 410 changes, an amendment must be filed within 10 days of the change. This is especially important if the committee has a new treasurer or principal officer(s) since the individuals listed on the most recently filed Form 410 are liable for the committee's activity.

**Ex 1.6** - Joe is seeking reelection to the city council. He wishes to use the same committee and bank account. In order to do so, Joe files a Form 410, checking the amendment box and indicating the year of the election. After filing the Form 501 for the new election, Joe is free to raise and deposit campaign contributions into the bank account.

**Ex 1.7** - A group of neighbors joined forces to help elect a candidate for mayor. On March 1, the group received 10 checks of \$200 each. Because they qualified as a committee on that date, they must mail or personally deliver a Form 410 to the Secretary of State and a copy to the city clerk no later than March 11.

**Ex 1.8** - Fourteen days before a local election, a candidate who had previously filed a Form 470 received a contribution of \$1,250, bringing the cumulative contributions received to date to \$2,150. Because the candidate has now exceeded the \$2,000 committee qualification threshold, the candidate must file the Form 410 with the local elections official within 24 hours. The Form 410 must also be filed within 10 days with the Secretary of State. The Form 470 Supplement must be filed within 48 hours as described above.

## 24-Hour Deadline for Amendments to the Form 410

Changes to important information in the last 16 days before the election require a committee to file an amendment within 24 hours. If, during the last 16 days before the election, any of the following changes occur, the committee must file an amended Form 410 within 24 hours with the filing officer with whom the committee files its original campaign statements:

- The name of the committee.
- The treasurer or other principal officers.
- Any candidate who controls the committee.
- Any committee with which the committee acts jointly.

The amendment provided to the filing officer with whom the committee files its original campaign statements must be delivered by personal delivery, guaranteed overnight delivery, fax, or online transmission (if online filing is available). The originally signed Form 410 amendment must be filed with Secretary of State within 10 days (regular mail may be used).

**Statement of Organization  
Recipient Committee**

Statement Type **A**  Initial  Amendment  Termination – See Part 5  
 Not yet qualified  or List I.D. number: \_\_\_\_\_ List I.D. number: \_\_\_\_\_  
 # \_\_\_\_\_ # \_\_\_\_\_  
 09 / 04 / 20XX \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
 Date qualified as committee Date qualified as committee Date of Termination  
(If applicable)

Date Stamp

**CALIFORNIA FORM 410**  
 For Official Use Only

**1 Committee Information**  
 NAME OF COMMITTEE  
 Manuel Alvarez for Mayor 20XX  
 STREET ADDRESS (NO P.O. BOX)  
 225 Presley Street  
 CITY STATE ZIP CODE AREA CODE/PHONE  
 Oakmont CA 95443 (707)555-6868  
 MAILING ADDRESS (IF DIFFERENT)  
 P.O. Box 1744, Oakmont, CA 95434  
 FAX / E-MAIL ADDRESS  
 707-555-6869/ mrichards@oakmontmail.com  
 COUNTY OF DOMICILE JURISDICTION WHERE COMMITTEE IS ACTIVE  
 San Marino San Marino

**2 Treasurer and Other Principal Officers**  
 NAME OF TREASURER  
 Madeline Richards  
 STREET ADDRESS (NO P.O. BOX)  
 225 Presley Street  
 CITY STATE ZIP CODE AREA CODE/PHONE  
 Oakmont CA 95443 (707)555-6868  
 NAME OF ASSISTANT TREASURER, IF ANY  
 Manuel Alvarez  
 STREET ADDRESS (NO P.O. BOX)  
 225 Presley Street  
 CITY STATE ZIP CODE AREA CODE/PHONE  
 Oakmont CA 95443 (707)555-6868  
 NAME OF PRINCIPAL OFFICER(S)  
 N/A  
 STREET ADDRESS (NO P.O. BOX)  
 \_\_\_\_\_  
 CITY STATE ZIP CODE AREA CODE/PHONE

**3 Verification**  
 I have used all reasonable diligence in preparing this statement and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on [Date Required] By [Signature Required]  
DATE SIGNATURE OF TREASURER OR ASSISTANT TREASURER

Executed on [Date Required] By [Signature Required]  
DATE SIGNATURE OF CONTROLLING OFFICER/HOLDER, CANDIDATE, OR STATE MEASURE PROPONENT

Executed on \_\_\_\_\_ By \_\_\_\_\_  
DATE SIGNATURE OF CONTROLLING OFFICER/HOLDER, CANDIDATE, OR STATE MEASURE PROPONENT

Executed on \_\_\_\_\_ By \_\_\_\_\_  
DATE SIGNATURE OF CONTROLLING OFFICER/HOLDER, CANDIDATE, OR STATE MEASURE PROPONENT

FPPC Form 410 (Dec/2012)  
 FPPC Advice: advice@fppc.ca.gov (866/275-3772)  
 www.fppc.ca.gov

**Completing the Form 410**

**A Statement Type**

Check the “Initial” box if this is the first filing and indicate the date on which the committee met the \$2,000 threshold or check the “Not Yet Qualified” box. If the “Not Yet Qualified” box is checked, an amended Form 410 must be filed within 10 days of reaching or exceeding the \$2,000 threshold to provide the date the committee qualified.

Check the “Amendment” box to amend information on an existing Form 410 (e.g., to report the date the committee qualified as a committee).

## 1 Committee Information

Provide the full name of the committee.

**Candidate Controlled Committees.** A committee controlled by a candidate must include in its name the last name of the candidate, the office sought, and the year of the election.

Committees established by an officeholder to defend against a recall attempt must include the term "recall" in the committee name.

**Primarily Formed Committees.** A committee primarily formed to support or oppose a candidate(s) must include the last name of each candidate, the office sought, the year of the election, and must state whether the committee supports or opposes the candidate(s) (e.g., Committee to Support Sanchez for Kern County Supervisor 20XX).

If a primarily formed committee is sponsored by a business entity, organization, or association, the name of the sponsor must also be included in the name of the committee.

## Committee Address

Provide the committee's street address and mailing address. A post office box may be used as a mailing address. The committee may have more than one mailing address.

## Committee Fax/E-mail Address

Provide the committee's fax number and e-mail address. The e-mail address is required.

## County of Domicile and Jurisdiction Where Committee is Active

Indicate the county in which the committee is located and the county in which the committee is active. These may be different.

## 2 Treasurer and Other Principal Officers

The committee must have a treasurer and may have an assistant treasurer. Provide the names, street addresses, and telephone numbers of the treasurer and assistant treasurer. If a candidate chooses to be his or her own treasurer, list the name, street address,

### Quick Tip

The Secretary of State's office may reject the filing of a Form 410 if the committee's e-mail address is not included.

and telephone number of the candidate.

A primarily formed committee must also list the name of the principal officer(s) and the principal officer's street address. If no individual other than the treasurer is a principal officer, the treasurer must be identified as both the treasurer and the principal officer. A principal officer is an individual that is responsible for the following types of activities:

- Authorizing the content of committee communications.
- Authorizing expenditures.
- Determining the committee's campaign strategy.

A committee may have several principal officers. If there are more than three, a committee need only identify on the Form 410 three individuals serving as principal officers.

### **3** Verification

The treasurer or assistant treasurer must complete the verification. If the committee is controlled by a candidate, the candidate must also sign the verification. The Form 410 is not considered filed if it is not signed by both the treasurer or assistant treasurer and the candidate. If a candidate is his or her own treasurer, the candidate must sign on both lines.

When two or three candidates control a committee, each candidate must sign the verification. If more than three candidates control the committee, one of the candidates may sign on behalf of all controlling candidates.

### **Bank Account**

Report the name and address of the financial institution where the committee's campaign bank account is located, as well as the campaign bank account number. If a bank account has not been opened at the time of filing an "Initial" Form 410, amend the Form 410 within ten days of opening the bank account to provide this information.

#### **Quick Tip**

See Chapter 2 for information about the responsibilities of a committee treasurer. The FPPC's website includes a list of committee treasurers that have been fined by the FPPC two or more times.

4

**4. Type of Committee** Complete the applicable sections.

**Controlled Committee**

- List the name of each controlling officeholder, candidate, or state measure proponent. If candidate or officeholder controlled, also list the elective office sought or held, and district number, if any, and the year of the election.
- List the political party with which each officeholder or candidate is affiliated or check "nonpartisan."
- If this committee acts jointly with another controlled committee, list the name and identification number of the other controlled committee.

NAME OF CANDIDATE/OFFICEHOLDER/STATE MEASURE PROPONENT	ELECTIVE OFFICE SOUGHT OR HELD (INCLUDE DISTRICT NUMBER IF APPLICABLE)	YEAR OF ELECTION	PARTY
Manuel Alvarez	Oakmont City Council, District 1	20XX	<input checked="" type="checkbox"/> Nonpartisan
			<input type="checkbox"/> Nonpartisan

**4 Type of Committee**

**Controlled Committee**

Candidate controlled committees must complete this section. A candidate or officeholder's own committee for election to office is his or her "controlled committee." Provide the name of the candidate, office sought (include district number, if applicable), year of the election and, since all local elections in California are non-partisan, check the "Non-Partisan" box in the "Party" column. If two or more candidates form one committee to support their candidacies for elective office, this information must be completed for each candidate.

**Primarily Formed Committee**

Complete this section for a committee that is not controlled by a candidate or officeholder whose principal activity is raising or spending money to make independent expenditures supporting or opposing a specific candidate or a group of specific candidates all being voted upon in the same election on the same date.

**Sponsored Committee**

If the committee is sponsored by an entity, provide the name and address of the sponsor. In addition, indicate the industry group or affiliation of the sponsor. Individuals do not sponsor committees.

An entity sponsors a committee if any of the following criteria apply:

- The committee receives 80% or more of its contributions from the entity or its members, officers, employees, or shareholders.
- The entity collects contributions for the committee through payroll deductions or dues from its members, officers, or employees.
- The entity, alone or in combination with other organizations, provides all or nearly all of the administrative services for the committee.
- The entity, alone or in combination with other organizations, sets the policies for contribution solicitation or payment of expenditures from committee funds.

## Answering Your Questions

### **A. Must we wait until \$2,000 or more is received to file a Form 410?**

No. You may file a Form 410 prior to committee qualification. Check the "Not Yet Qualified" box. Once you have reached the \$2,000 threshold, file an amendment to report the date the committee qualified.

### **B. May our committee use a mail receiving and forwarding service as the committee's street address on the Form 410?**

No. Either the committee's street address or the treasurer's street address (home or business) must be provided. A post office box may be used as a mailing address.

### **C. As a candidate, may I be the designated treasurer on the Form 410?**

Yes. You may be the treasurer or assistant treasurer.

**D. May more than one candidate control a single committee to run for office?**

Yes. Each candidate should file a Form 501 prior to raising or spending any money. For both the Form 410 and Form 460, each candidate must sign the verification, in addition to the treasurer or assistant treasurer. If the committee is controlled by more than three candidates, one candidate may sign on behalf of the other candidates.

**E. I am a school board candidate. Prior to attending an FPPC webinar and learning that it was not permitted, I used personal funds to pay for some of my start-up campaign expenses. How is this reported on the Form 460?**

So that the activity is properly disclosed, the amount of personal funds used may be reported on Schedule C as nonmonetary contributions (itemize purchases of \$100 or more). If you wish to be reimbursed by the committee, you may report the amount on Schedule F as an accrued expense. If you have already been reimbursed by the committee, the amount will be reported on Schedule E as an expenditure. Non-disclosure of the payments is a violation of the Act. All future payments must be made from the campaign bank account; personal funds must be deposited into the account before making expenditures.

**F. I am an officeholder and the target of a recall election. I have formed a separate committee to oppose the recall. On the Form 410, what sections do I complete under Part 4 — Type of Committee?**

You should complete both the Controlled Committee and Primarily Formed Ballot Measure Committee sections. Be sure to include the word "recall" in the name of the committee.

**G. I am running as a replacement candidate on a recall ballot.  
On the Form 410, what sections do I complete under Part  
4—Type of Committee?**

You should complete the Controlled Committee section.

## Authority

The following Government Code sections and Title 2 regulations provide authority for the information in this chapter:

### Government Code Sections

- 81004 Reports and Statements; Perjury; Verification.
- 81004.5 Reports and Statements; Amendments.
- 81007 Mailing of Report or Statement.
- 82007 Candidate.
- 82013 Committee.
- 82016 Controlled Committee.
- 82025 Expenditure.
- 82044 Payment.
- 82047.5 Primarily Formed Committee.
- 82048.7 Sponsored Committee.
- 84101 Statement of Organization; Filing.
- 84102 Statement of Organization; Contents.
- 84103 Statement of Organization; Amendments.
- 84106 Sponsored Committee; Identification.
- 84206 Candidates Who Receive or Spend Less than \$2,000.
- 84207 County Central Committee Candidates Who Receive or Spend Less Than \$2,000.
- 84215 Campaign Reports and Statements; Where to File.
- 85200 Statement of Intention to be a Candidate.
- 85201 Campaign Bank Account.
- 87201 Candidates (Statement of Economic Interests).

### Title 2 Regulations

- 18402 Committee Name.
- 18406 Short Form for Candidates or Officeholders Who Receive and Spend Less than \$2,000 in a Calendar Year.
- 18419 Sponsored Committees.
- 18430 Committee Controlled by More Than One Candidate.
- 18520 Statement of Intention to Be a Candidate.
- 18521 Establishment of Separate Controlled Committee for Each Campaign Account.
- 18531.5 Recall Elections.

# FINANCES/RECORDKEEPING

One of the fundamental purposes of the Political Reform Act (Act), an initiative passed by the voters, is to ensure that receipts and expenditures in election campaigns are truthfully and fully disclosed. In order to do so, an individual that chooses to act as a committee treasurer, assistant treasurer, or principal officer must know and practice the finance and recordkeeping requirements and responsibilities discussed in this chapter.

## A. Committee Treasurer and Principal Officer

Every committee must have a treasurer before the committee may accept contributions or make expenditures. Although there are no restrictions on who may be a treasurer, in order to adequately perform the duties, the treasurer must understand the campaign finance laws and his or her responsibilities under the Act. The candidate controlling the committee may be the treasurer or assistant treasurer for his or her own committee. **No individual should accept the position of a committee treasurer as a mere figurehead.**

Contributions may not be accepted and expenditures may not be made if the treasurer's post is vacant at any time, even if the committee has an assistant treasurer. If the treasurer is unavailable to carry out his or her duties, a new treasurer must be designated and the committee's Statement of Organization (Form 410) amended. The individual listed on the most recent Form 410 filed with the Secretary of State continues to be liable until an amendment is filed to designate a new treasurer.

The committee treasurer or assistant treasurer must sign and verify all reports and statements filed. The verification is signed under penalty of perjury and indicates that:

- The signer has used all reasonable diligence in preparing the statement; and
- To the best of his or her knowledge, the statement is both true and complete.

The signer is legally responsible for the accuracy and completeness of the document, even if it is prepared by a third party, including a professional accountant. An unsigned statement is considered “not filed” and is subject to late fines.

### Treasurer Responsibilities

A committee treasurer is required to:

- Establish a system of recordkeeping sufficient to ensure that contributions and expenditures are recorded promptly and accurately in compliance with the Act’s recordkeeping and disclosure requirements. (Following the recordkeeping guidelines in this manual ordinarily constitutes compliance with this requirement.)
- Maintain campaign records personally or monitor records kept by others.
- Take steps to ensure all of the Act’s requirements are met regarding receipt, expenditure, and reporting of campaign funds.
- Prepare campaign statements personally or carefully review the statements and underlying records prepared by others.
- Correct any inaccuracies or omissions, and inquire about any information that would cause a person of reasonable prudence to question the accuracy of the campaign statements. Among the circumstances that might give rise to an inquiry regarding a contribution are: the size of the contribution; the reported source; the likelihood of that source making a contribution of that size; the manner in which the contribution is recorded in the campaign records; and all other circumstances surrounding receipt of the contribution.

#### Quick Tip

Reconciling the committee’s bank statement with the committee’s records regularly will ensure accuracy and make completing the campaign forms easier.

### Principal Officer(s)

A primarily formed committee must designate a principal officer(s) on the Statement of Organization (Form 410). The principal officer is also responsible for maintaining detailed accounts, records, bills and receipts necessary to prepare campaign statements. If no individual other than the treasurer has the primary responsibility for approving

the political activity of the committee as described in Chapter 1, the treasurer must be identified as both the treasurer and the principal officer.

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## **B. Candidate/Officeholder Responsibilities**

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A candidate or officeholder is required to:

- Carefully review the campaign statements prepared for filing by the committee and ensure that the statements are properly filed.
- Correct any inaccuracies and omissions in campaign statements of which the candidate is aware, and check and correct any information on campaign statements which a person of reasonable prudence would question based on all of the surrounding circumstances.
- Make sure that the treasurer is exercising all reasonable diligence in the performance of his or her duties.
- Take whatever steps are necessary to replace the treasurer or raise the treasurer's performance to required standards if the candidate or officeholder knows, or has reason to know, that the treasurer is not exercising all reasonable diligence in the performance of his or her duties.
- Perform with due care any other tasks assumed in connection with the raising, spending, or recording of campaign funds insofar as such tasks relate to the accuracy of information entered on campaign statements.

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## **C. Education**

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The FPPC provides educational seminars and webinars for candidates and treasurers. In addition, there are several instructive materials available on the website. Candidates and treasurers may also seek advice from FPPC staff by calling the toll-free advice line (866-275-3772) or e-mailing questions to [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov).

## D. Committee Audits

Each odd-numbered year, a total of 20 local jurisdictions are randomly selected for mandatory audit. All candidates in the selected jurisdiction are subject to audit if they have raised or spent \$2,000 or more. Additionally, 25% of contested Superior Court offices are randomly selected. Candidates who raise or spend \$15,000 or more in these selected races are subject to audit. In addition, the FPPC and the Franchise Tax Board are authorized to conduct discretionary audits.

### Quick Tip

The candidate and the treasurer may be fined by the FPPC if all reporting and recordkeeping requirements are not met. Violations of the Act are punishable by fines of up to \$5,000 per violation.

## E. Campaign Bank Accounts

### Primarily Formed Committees

A non-candidate controlled "primarily formed committee" is not required to maintain a separate bank account; however, it is recommended that they do so. Pre-numbered and pre-printed checks with the committee's name are helpful in meeting the recordkeeping requirements discussed in this chapter. Committees may not commingle campaign contributions with any individual's personal funds.

### Candidate Controlled Committees

Candidates who anticipate soliciting or receiving contributions from others, or who anticipate spending \$2,000 or more of their personal funds in connection with their election, **must** open a campaign bank account. A candidate's personal funds used to pay the filing fee or the ballot statement fee do not count toward the \$2,000 threshold.

The account may be established at any financial institution (i.e., bank, credit union) located in California. Under the Act's one bank account rule discussed in Chapter 1, a candidate or officeholder may only have one controlled committee with one bank account per election. Candidates running for one office while holding another must establish a separate campaign bank account for each office, but may not have more than one bank account per office per election.

All campaign contributions must be deposited into the campaign bank account and all campaign expenditures must be made from the campaign bank account. Candidates must deposit **personal funds** to be used for the campaign in the campaign bank account before making campaign expenditures.

**Exceptions:**

- Candidates may use their personal funds to pay a filing fee or a ballot statement fee without first depositing the funds into the campaign account.
- An officeholder may use personal funds to pay officeholder expenses.
- A candidate may contract with a vendor or collecting agent to collect contributions prior to promptly transferring the funds to the candidate's campaign bank account without violating the requirement that the candidate have no more than one bank account. Fees deducted by the vendor are considered expenditures from the campaign bank account at the time they are deducted.

**Quick Tip**

The Political Reform Act does not require a federal tax ID number. However, most banks will require one in order to open a campaign bank account. A tax ID number may be obtained on the IRS website, [www.irs.gov](http://www.irs.gov).

**Quick Tip**

Campaign funds may not be commingled with any individual's personal funds.

**Expenditures from Multiple Accounts**

A candidate who has more than one campaign committee must make all expenditures in connection with an election from the campaign bank account established for that election, including:

- Campaign strategic planning and fundraising expenses;
- Services and actual expenses of outside political consultants, the campaign treasurer, other staff, pollsters, and other persons who provide services directly in connection with the election;
- Voter registration and get-out-the-vote drives; and
- Payments for mailings, political advertising, yard signs, opinion polls or surveys, and other communications if the payments are either:
  - For a communication that makes reference to the candidate's future election or status as a candidate; or

- Made three months prior to an election for which the candidate has filed a Candidate Intention Statement (Form 501), a declaration of candidacy, or nomination papers with an elections official, or any other documents necessary to be listed on the ballot for an elective office.

**Ex 2.1** -Thien Vu is a city council member and still has an open committee from the city council election. She is running for county supervisor in the next election and has opened another bank account and committee for that race. She must use the campaign bank account for her county supervisor campaign to pay for her yard signs and all other expenses related to the upcoming county supervisor election.

### Redesignating the Bank Account

**Officeholders:** An officeholder seeking reelection to the **same office** may use the bank account that was established for the prior election. The account may be redesignated at any time prior to receiving contributions in connection with reelection. The officeholder must file a new Form 501 (Candidate Intention Statement) and an amended Form 410 (Statement of Organization).

**Defeated Candidates:** A candidate that is defeated in an election may use the same bank account for a future election to seek the same office. The candidate must file a new Form 501 (Candidate Intention Statement) and an amended Form 410 (Statement of Organization). The funds must be redesignated before they become “surplus funds.” Campaign funds become surplus on the 90th day following the closing date for the postelection reporting period.

**Note:** A campaign bank account may not be redesignated if the officeholder/candidate is seeking election to a **different office**. See Chapter 11 for the requirements that must be met in order to use leftover campaign funds for a future election to seek a different office.

**Ex 2.2** -John Davis lost the city council election in June. John has \$3,500 remaining in his campaign bank account and is considering seeking another city council position in two years. In order to use the remaining \$3,500 for the future election, John must file a new Form 501 (Candidate Intention Statement) and redesignate the bank account to the future election by amending his Form 410 (Statement of Organization) to indicate the new office sought and year of election. This must be done within 90 days following the end of the postelection reporting period for an election held during the first six months of the year.

#### Quick Tip

Campaign funds become surplus on the 90th day following the closing date for the postelection reporting period or on the 90th day following the date of leaving office, whichever occurs last. The postelection reporting period for an election held in the first six months of the year is June 30 and the postelection reporting period for an election held in the latter six months of the year is December 31. Once the funds become surplus, they may not be used for a future election. See Chapter 5 for the permissible uses of surplus funds.

## **Investments**

Campaign funds may be transferred from a campaign bank account to certificates of deposit, interest-bearing savings accounts, money market funds, or similar accounts. The funds must come from a campaign bank account designated for a specific office and be deposited in investment accounts established only for that office. The funds must be redeposited into the same campaign bank account before being used for campaign expenses.

## **Credit Accounts**

One or more credit accounts may be established for each campaign bank account. A single credit card, however, may not be designated for more than one campaign bank account. In addition, payment of charges on a credit account must be made only from the appropriate campaign bank account.

In lieu of establishing a new credit account, a candidate may designate an existing personal credit card with a zero balance as the campaign bank account credit card by listing the card number and date of designation in the campaign records. The candidate must ensure that no personal expenses are charged to this account until after all campaign charges have been paid with funds from the campaign bank account. Once all campaign expenses charged to the account have been paid, the candidate may resume using the card for personal purposes.

## **Petty Cash**

Candidates may use campaign funds to establish a petty cash fund at each campaign office so long as the following conditions are met:

- A petty cash fund may not hold more than \$100 at any time.
- No expenditure of \$100 or more may be made from the fund.
- The fund may be used only for expenses associated with the election to the specific office or for the expenses of holding the office for which the petty cash fund was established.

- Once the funds are spent, payments made from petty cash must be reported as expenditures.

### **Legal Defense Fund Committees**

The Act permits a local candidate or elected officer to establish a legal defense fund, if the candidate or officer is subject to civil, criminal or administrative proceedings arising directly out of the conduct of an election campaign, the electoral process, or the performance of the officer's governmental duties. Contributions raised for legal defense **must be held in a separate bank account**. Any funds raised may only be spent to defray attorney's fees and other related legal costs, as defined in the Act. (See Regulation 18530.45 for additional information.)

The candidate and the treasurer of the legal defense fund committee are subject to the recordkeeping requirements discussed in this chapter. In addition, separate detailed accounts, records, bills, and receipts, for each legal proceeding, including documentation to support the basis and timing for raising legal defense funds, must be kept.

### **Recall Elections**

An officeholder who is the subject of a recall may use an existing committee (set up for the office he or she currently holds) to receive contributions and make expenditures to oppose the qualification of the recall measure, and if the recall petition qualifies, the recall election.

The officeholder may instead choose to set up a separate committee with a separate bank account. The officeholder and committee treasurer are subject to the recordkeeping requirements discussed in this chapter. See Chapter 11 for additional information about recall elections.

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## **F. Recordkeeping**

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An accurate and organized record must be kept of all campaign contributions and expenditures. All individuals who handle contributions and make expenditures must be aware of and practice

the recordkeeping procedures required by the Political Reform Act and FPPC regulations outlined in this manual. While others may be involved, the candidate, treasurer, and principal officer(s) as listed on the committee's Statement of Organization (Form 410), remain legally responsible for the accuracy of the records.

## Record Retention

Candidates and committees must keep all records, including original source documentation, such as bank statements and other records reflecting account activity, for a period of four years from the date the campaign statement relating to the records was filed.

## Records of Contributions Received and Other Receipts

Two types of records are required for receipts: a **daily record**, showing how much money was received on any given day; and a **contributor record**, with detailed information on each contributor of \$25 or more. The daily record requirement may be met simply with bank statements, copies of checks received, or other documentation that provides the required information listed below.

## Date Received

A monetary contribution is received on the date the committee, or an agent of the committee, obtains possession or control of the cash, check, or other form of contribution, not the date it is deposited in the bank account. Contributions received by electronic methods such as wire transfer, credit card, or debit account transactions are also received on the date the committee obtains possession or control of the funds. The following list provides examples:

- A contributor makes a contribution over the telephone. The contribution is "received" by the committee on the date the contributor gives his or her debit/credit account information to the committee.
- A contributor makes a contribution via the Internet and the committee reviews the online transaction before the contribution is processed. The contribution is "received" by the committee on the date the committee receives the payment information.

**Ex 2.3** -Sharon Goldstein, a city council member, filed her first campaign statement on January 31, 2014. The records associated with completing that statement, such as receipts and information about contributors, must be retained until January 31, 2018.

- A contributor makes a contribution via the Internet and the contribution is made by direct deposit without review and before transaction reports are produced. The contribution is “received” by the committee when the committee has possession of the funds.
- A contributor makes a contribution by text message. The contribution is “received” by the committee on the date that the mobile fundraising vendor, acting as agent of the committee, obtains possession or control of the contribution.
- A contributor agrees to make contributions via installment payments by authorizing the committee to periodically charge his or her credit card or withdraw funds from his or her account. The contribution is “received” when the committee, or an agent of the committee, obtains possession or control of the funds for each installment payment. The contribution reported is only the amount of each installment payment when received. Installment payments scheduled to take place in the future, but not yet received, are not reportable.

## **Receipts Under \$25**

A daily lump sum total must be kept for contributions received under \$25 and miscellaneous receipts under \$25.

### **Contributor Records**

#### **Contributions: \$25 to \$99.99**

For each monetary or nonmonetary contribution or loan of \$25 or more, the date received, amount of the contribution, and full name and street address, including zip code, of the contributor must be documented. In addition, the total amount received from the contributor over the course of the current calendar year (the “cumulative amount”) must be recorded.

#### **Contributions: \$100 or More**

If contributions totaling \$100 or more are received from an individual, in addition to the information required for contributions of \$25 or more as described above, the contributor’s occupation and employer

must be recorded. If the contributor is self-employed, that fact also must be noted along with the name of his or her business. If a check is received from a business entity, generally the contributor is the business entity, not the person who signs the check.

**A contribution of \$100 or more must be returned if the contributor's name, street address, and, if the contributor is an individual, his or her occupation and employer are not in the committee's records within 60 days from receipt of the contribution.**

Such contributions may be deposited in the committee's bank account pending receipt of the information, in which case they must be reported on the next campaign statement required to be filed (including the Form 497, 24-hour Contribution Report).

The Form 460 must be amended within 70 days from its closing date to disclose the missing contributor information unless the contribution is returned to the donor. The Form 497 need not be amended. The committee also must note in its records the date the contributor information is received, if that date is different than the date the contribution is received.

When a contribution cannot be returned to the contributor within 60 days from the date the contribution was received, the contribution amount must be paid to the general fund of the local jurisdiction in which the committee is based. In the case of a Superior Court judge or a judicial candidate, the contribution must be paid to the Secretary of State for deposit in the State General Fund.

If a contribution is returned to the contributor by check and the check is not cashed by the contributor within 90 days, the contribution amount must be paid within 30 days to the general fund of the local jurisdiction or to the Secretary of State for deposit in the State General Fund.

### **Intermediaries**

For contributions of \$25 or more made through an intermediary (see Chapter 3), records with the above information for **both** the intermediary and the contributor are required.

**Ex 2.4** -Stanley Hughes, a city clerk candidate, received a contribution of \$100 from Martha Andersen on June 1. The only information he received was her name and address as listed on her check. On his semi-annual statement covering the reporting period through June 30, he reported receiving \$100 from Martha, listed her name and address, and indicated that he would amend his statement when he received her occupation and employer information. By July 31 of that same year, even after notifying Martha, Stanley still did not have her occupation and employer information. The committee must return \$100 to Martha.

## **Affiliated Entities**

Information from affiliated entities (see Chapter 3) that describes the connection of affiliated contributors must be maintained in the records.

## **Nonmonetary Contributions**

If the contribution is nonmonetary and valued at \$25 or more, a description and the fair market value of the contribution must be recorded. (See “Valuing Nonmonetary Contributions” in Chapter 3.)

## **Loans Received**

If the contribution is a loan of \$25 or more, in addition to the above information for monetary contributions, the following information must be recorded:

- Interest rate of the loan, if any;
- Due date of the loan, if any; and
- Name and street address of any guarantor and the amount guaranteed, if any. The occupation and employer of any individual who guarantees a loan of \$100 or more must also be recorded.

If a candidate receives a loan from a commercial lending institution for his or her campaign, the institution is reported as the source of the loan. The candidate does not have to be reported as the guarantor, even if he or she is personally liable.

## **Documentation for Contributions Received and Other Receipts**

The committee must keep copies of all documents reflecting deposits made and all records reflecting campaign bank account balances, such as bank statements, check registers, and passbooks.

The following documents produced or received by the committee also must be kept for receipts of \$25 or more: copies of contributor checks; contributor cards; letters of transmittal; notices received from contributors; memoranda or other records that describe the method

used to determine the fair market value of donated goods or services (nonmonetary contributions); and loan agreements or other documents that reflect indebtedness.

Documentation for electronic transactions must include information collected when debiting the contributor's account, such as itemized transaction reports (including the credit card confirmation number), debit/credit account transaction records, and credit card receipts, or vouchers. Documentation of contributions received over the Internet must include a record of the transaction created and transmitted by the cardholder including the cardholder's name and street address and card number.

For contributions or other receipts of \$100 or more, copies of any letters or other communications sent by the committee to obtain the documents listed above must be kept.

### **Expenditures Made**

#### **Expenditures: Under \$25**

A daily lump sum total of all expenditures of less than \$25 must be kept.

#### **Expenditures: \$25 or More**

For expenditures of \$25 or more to a single payee, or a series of payments for a single product or service that total \$25 or more, the following must be recorded:

- Full name and street address, including zip code, of payee;
- Expenditure amount;
- Date each expenditure was made or, in the case of accrued expenses, the date the goods or services were received; and
- Description of the goods or services received.

## Contributions to Other Committees and Independent Expenditures

For expenditures that are contributions to another candidate, officeholder, or committee, or independent expenditures to support or oppose a ballot measure, the amount of the expenditure and the cumulative total paid in that calendar year in connection with the candidate, officeholder, committee, or ballot measure must be recorded.

For all such expenditures of \$25 or more, the following information is required:

- Date the contribution or independent expenditure was made;
- Whether the expenditure was an independent expenditure;
- Name of the officeholder or candidate and the office and district he or she holds or for which he or she seeks nomination or election, or the number or letter of the measure and the jurisdiction in which the measure is to be voted on; and
- Cumulative amount spent on behalf of the candidate, measure, or committee.

### Quick Tip

See Chapter 3 for a detailed discussion and examples of when a contribution is made. Chapter 6 describes communications that are considered independent expenditures.

## Loans Made to Others

The following additional information must be kept for loans made by the committee: interest rate, if any; due date, if any; and full name and street address of anyone guaranteeing the loan or who is liable directly, indirectly, or contingently for the loan. (For restrictions on loans to others, see Chapter 5.)

## Expenditures for Gifts, Meals and Travel

A candidate controlled committee that makes an expenditure of \$100 or more for a gift, meal, or travel, must keep a dated memorandum or some other form of dated written record containing a brief description of the political, legislative, or governmental purpose of the expenditure, as well as the information described below:

**Gifts:** The date of the expenditure, a description of the gift, and the name of any recipient who received a benefit of \$50 or more.

**Meals:** The date of the meal, the name of each individual who attended the meal, and whether he or she is a member of the candidate's household or someone who has authority to approve expenditures of campaign funds.

**Travel:** The dates of travel, the destination, the name of each individual who traveled, and whether he or she is a member of the candidate's household or someone who has authority to approve expenditures of campaign funds.

### Documentation for Expenditures

All bank and credit card records for expenditures must be kept.

For expenditures of \$25 or more, canceled checks, bills, invoices, or statements; receipts; credit card charge slips; vouchers; contracts; loan agreements; and other documents produced or received by the committee reflecting additional obligations also must be kept. Copies of canceled checks may be retained if the copies contain a legible image of the front and back of the canceled check and the copies are obtained from the financial institution.

If no receipt, voucher, or invoice is available, a voucher should be written as soon as possible with the date and amount of the payment, the name of the payee, and a description of the goods or services received. A voucher is not required for payments under \$25.

#### Quick Tip

Expenditures may be made electronically using a bank account, credit card, debit card, or electronic payment service (e.g., PayPal) so long as detailed records are kept.

### G. Mass Mailings, Telephone Calls, and Notices to Contributors of \$5,000 or More

The following must be retained for a period of four years following the date the campaign statement relating to the records is filed:

- **Mailers.** A copy of any mass mailing sent by the committee (see Chapter 6).

- **Political Calls.** A script of the call or a copy of the recorded phone message when the committee pays for more than 500 telephone calls to expressly advocate support for or opposition to a candidate or ballot measure (see Chapter 6).
- **Major Donor Notices.** A copy or record of all notifications to contributors of \$5,000 or more (see Chapter 3).

## Answering Your Questions

### A. May the candidate serve as the committee's treasurer?

Yes. The candidate may serve as the treasurer or assistant treasurer.

### B. Are there private firms that provide treasurer or campaign reporting services?

Yes. The FPPC does not endorse or recommend any particular private firm. Candidates may find useful information on the websites of the California Political Attorney's Association and the California Political Treasurers Association. By entering a treasurer's name on the FPPC's website, information may be obtained about treasurers that have been fined in an FPPC administrative action or have received warning or advisory letters. There is also a list of committee treasurers that have been fined two or more times by the FPPC.

### C. Are there any specific accounting qualifications for someone to be able to serve as treasurer?

No. However, no individual should accept the position as a mere figurehead.

**D. What should be done if the treasurer and assistant treasurer, or the candidate, are not able to sign a campaign statement before the deadline?**

To ensure that the statement is filed on time, the committee may submit the filing if it is signed by one of the following: the candidate, treasurer, or assistant treasurer. If the candidate's signature is missing, submit an amendment to provide his or her signature as soon as possible. Likewise, if both the treasurer and assistant treasurer are unavailable, submit an amendment to provide the required signature as soon as possible.

**E. I do not intend to raise any funds from others and I will not be spending any personal funds on my campaign other than the payments for the filing fee and ballot statement fee. Do I need to open a campaign bank account?**

No.

**F. I do not intend to raise any funds from others. I will be spending personal funds on my campaign, but I will not be spending \$2,000 or more. Do I need to open a bank account?**

No.

**G. I do not intend to raise any funds from others. I will, however, be spending \$2,000 or more of my personal funds on my campaign, not including the amount I spend on my filing fee. Do I need to open a bank account?**

Yes. Since you plan to spend \$2,000 or more for your campaign, you must open a campaign bank account.

**H. I will be raising money from others for my campaign, but I do not intend to raise or spend \$2,000 on my campaign during the calendar year. Do I need to open a bank account?**

Yes. Since you are raising funds from others, even though you will not be raising or spending \$2,000 or more, you are required to open a campaign bank account. Contributions received and personal funds you will use for your campaign must be deposited in the account.

**I. Are committee records and source documentation required to be kept on paper, or may the committee use an electronic recordkeeping system?**

Electronic records are permitted, provided that all of the required information is collected and recorded in a timely and uniform manner that ensures the accuracy and reliability of the information. Committees are responsible for ensuring that electronic records can be read and/or printed for auditing purposes during the applicable retention period.

**J. May a private service, such as PayPal, be used to collect contributions electronically?**

Yes, so long as for each contribution of \$100 or more, (a) the service is able to provide the name of the contributor, and (b) the committee reports all the information needed to meet the statutory recordkeeping requirements, including the name, address, occupation, and employer of individual contributors of \$100 or more. Even if the company deducts a fee from the amount of the contribution, the entire amount of the contribution must be disclosed. The fees charged by the private service are reported as expenditures.

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## Authority

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The following Government Code sections and Title 2 regulations provide authority for the information in this chapter:

### Government Codes Sections

- 82047.6 Principal Officer.
- 84100 Treasurer.
- 84104 Recordkeeping.
- 84105 Notification of Contributors.
- 84302 Contributions by Intermediary of Agent.
- 84306 Contributions Received by Agents of Candidates or Committees.
- 84307 Commingling with Personal Funds.
- 84310 Identification Requirements for Telephone Calls.
- 85304.5 Legal Defense Fund; Local Candidates and Elected Officeholders.
- 85700 Donor Information Requirements; Return of Contributions.
- 90000 Responsibility.
- 90001 Mandatory Audits and Investigations.
- 90002 Audits and Investigations; Time.
- 90003 Discretionary Audits.
- 90007 Auditing Guidelines and Standards.

### Title 2 Regulations

- 18401 Required Recordkeeping for Chapter 4.
- 18402.1 Principal Officers.
- 18421.1 Disclosure of the Making and Receipt of Contributions.
- 18421.2 Street Address.
- 18421.3 Reporting of Contributions and Expenditures Collected by Contract Vendors or Collecting Agents.
- 18421.31 Text Message Contributions.
- 18421.7 Reporting an Expenditure for a Gift, a Meal, or Travel.
- 18426.1 Assistant Treasurer.
- 18427 Duties of Treasurers and Candidates with Respect to Campaign Statements.
- 18427.1 Notification to Contributors of Filing Obligations.
- 18432.5 Intermediary.



- 18440 Telephone Advocacy.
- 18524 Investment and Expenditure of Candidates' Campaign Funds.
- 18530.45 Legal Defense Funds – Local Candidates and Officers.
- 18570 Return of Contributions with Insufficient Donor Information.
- 18994 Auditing and Investigations.
- 18995 Standards and Guidelines for Auditing Statements and Reports.



# CONTRIBUTIONS

This chapter begins with the definition of “contribution” and provides guidelines necessary for proper reporting, including a discussion on valuing nonmonetary contributions.

The Act does not contain contribution limits for local candidates; however, many cities and counties have adopted campaign ordinances that include contribution limits and other restrictions. Check with your local elections or ethics agency.

## A. What is a Contribution?

A “contribution” is a monetary or nonmonetary payment received by a candidate or committee for which the candidate or committee has not provided full and adequate consideration in return. A contribution may take any of the following forms:

- Money (cash, check, credit card, wire transfers, text contributions).
- Nonmonetary items (donated goods or services).
- Payments made by a third party for advertising or other communications coordinated with the committee.
- Loans (including loan guarantees, co-signing, and lines of credit).
- Money, nonmonetary items, and loans from the candidate to his or her own committee or from the candidate’s family.
- Enforceable promises to make a payment (for example, a contributor promises, in writing, to pay for specific goods or services and, based on that written promise, the committee expends funds or enters into a legally-enforceable contract to purchase the goods or services).

**Quick Tip**

Contributions of \$100 or more may never be made or received in cash.

## B. When is a Contribution Received?

A **monetary** contribution is received on the date the candidate, committee, or an agent of the committee, obtains possession or control of the cash, check, or other item that constitutes the contribution.

When an agent of the committee, such as a campaign consultant, receives a contribution for the committee, the agent must notify the treasurer no later than the closing date of the next campaign statement due. The date of the contribution is the date the agent obtained possession of the contribution.

A **nonmonetary** contribution is received on the **earlier** of the following:

- The date funds were expended by the contributor for the goods or services;
- The date the candidate, committee, or an agent of the committee, obtained possession or control of the goods or services; or
- The date the candidate or committee received the benefit of the expenditure.

A nonmonetary contribution of **employee services** is made by the contributor and received by the candidate or committee on the **payroll date** of the employee. See the discussion later in this chapter for information about how to value a contribution of employee services.

An **enforceable promise** is received on the date the candidate, committee, or an agent of the committee, receives documents verifying that a contributor has made a legally enforceable promise to make a payment. A person makes an “enforceable promise to make a payment” if he or she:

- Guarantees, furnishes security for, endorses or cosigns a loan.
- Makes and delivers a post-dated check.

**Ex 3.1** - A committee's campaign consultant received a hand-delivered check at a May 14, Friday evening fundraiser. The check was delivered to the committee's treasurer the following Monday, May 17. The contribution was received on May 14, the day the committee's agent obtained possession of the check.

**Ex 3.2** - The committee also contracts with a website service to receive contributions over the Internet. The website service sends the committee's treasurer an e-mail each time a contributor logs on to the website service and enters his or her donor information and credit card number. Logging onto the website service, the treasurer can accept the contribution and receive the funds. The committee reports receipt of the contribution on the date it receives the e-mail because it controls the contribution on that date.

- Establishes a line of credit at a bank or other commercial lending institution for a candidate or committee.

**Exceptions:** A pledge card is not considered an enforceable promise to make a payment. "Enforceable promise" also does not include a contributor's agreement to make future installment payments through wire transfer, credit card transaction, debit account transaction, or similar electronic payment.

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### C. Contribution Exceptions

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There are many exceptions to the definition of "contribution." In addition to the most common exceptions listed below, Chapter 6 discusses certain types of communications that are not considered contributions.

**Volunteer Personal Services:** If an individual donates his or her personal or professional services to a campaign (including a volunteer's travel expenses), no contribution has been made or received as long as there is no understanding of reimbursement.

However, if an employer donates employee services to a campaign, and any employee spends more than 10 percent of his or her compensated time in a calendar month performing campaign activity for one or more campaigns, the employer has made a nonmonetary contribution to the committee. Determine the contribution amount by allocating the gross salary to the time spent on campaign activity. See "Employee Time" later in this chapter for additional information.

**Home/Office Fundraisers:** If a person, other than a lobbyist (or a cohabitant of a lobbyist) or lobbying firm, holds a fundraiser or other campaign event in his or her home or office, the costs incurred by the occupant of the home or office need not be reported as long as the total cost of the event is \$500 or less. However, if someone else donates food, beverages, or anything else of value to the event, the fair market value of those donated goods is a nonmonetary contribution. In addition, the donated goods must be counted to determine whether the total cost of the event is \$500 or less.

**Quick Tip**

For the home/office fundraiser contribution exception to apply, the total cost of the event must be \$500 or less no matter how many candidates or committees benefit from the event.

**Note:** The home/office fundraiser exception does not apply to a state lobbyist or to a cohabitant of a state lobbyist. A registered state lobbyist may not make a contribution to an elected state officer or candidate for elective state office if the lobbyist is registered to lobby the official's agency or the agency for which the candidate is seeking election. A fundraiser held in the home of a lobbyist is considered a contribution; therefore, a lobbyist is prohibited from holding a fundraiser in his or her home for a candidate seeking election to a governmental agency that the lobbyist is registered to lobby. A similar prohibition applies to lobbying firms holding fundraisers at their offices.

**Social Media – Internet Communications:** Uncompensated Internet activity by an individual, such as sending or forwarding electronic messages, social networking, blogging, creating or hosting a website, to support or oppose a candidate or ballot measure is not considered a contribution or expenditure. Certain Internet communications require advertisement disclaimers as outlined in Chapter 6.

**Member Communications:** Payments made by an organization (including a political party, union, trade association) for certain communications that are sent only to the organization's members, employees, or shareholders, or their families, are not contributions to a candidate endorsed in the communications. For example, if a union sends a mailing to only its membership, supporting your campaign, the cost of the mailing is not a reportable contribution.

**Gifts:** A payment or other benefit to a candidate or official that is made principally for personal purposes (not political purposes) is a gift unless the candidate or official provides payment or services of equal or greater value. Generally, gifts are subject to annual limits and must be disclosed by the candidate or official on a Form 700 (Statement of Economic Interests). For additional information about gifts, see the fact sheet on the FPPC's website entitled, *Limitations and Restrictions on Gifts, Honoraria, Travel and Loans*.

### **Payments for Legislative, Governmental, or Charitable**

**Purposes:** Behested payments made in connection with a legislative, governmental, or charitable purpose, are not considered to be made for political or personal purposes; therefore, they are not considered

#### **Quick Tip**

A state lobbyist may not hold a fundraiser for a local candidate/officeholder who is seeking election to a state office.

**Ex 3.3 -** Your neighbor holds a fundraiser in his home for your campaign. As long as the total cost of the event is \$500 or less, your committee is not required to report the cost of the event as a nonmonetary contribution.

**Ex 3.4 -** A business hosts a campaign fundraiser in its conference room. The business spends \$450 for beverages. A separate business entity provides the food valued at \$200. Since the total cost of the event now exceeds \$500, both businesses have made reportable nonmonetary contributions that must be reported by your committee.

**Ex 3.5 -** Your friends send e-mails to their family and friends and post on their personal social networking sites communications supporting your campaign. Since your friends are not being compensated, these activities are not reportable even if you provided your friends with campaign materials.

contributions or gifts. However, if the payment is made at the behest of an elected official and the payment(s) totals \$5,000 or more from a single source in a calendar year, the official is required to file a Form 803 (Behested Payment Report) as described in Chapter 11.

## D. Aggregating Contributions

Contributions received from individuals and entities must be added together to determine the total amount that will be treated as received from a single contributor.

The following contributions are aggregated:

- Contributions from an individual's personal funds and contributions made by an entity when the individual directs and controls the entity's contributions.
- Contributions from two or more entities that are directed and controlled by a majority of the same persons.
- Contributions made by entities that are majority owned by any person. Contributions made by the majority owner and all other entities majority owned by that person are aggregated, unless those entities act independently in their decisions to make contributions.

The following examples provide general guidance regarding aggregation of contributions. The FPPC may be contacted for advice related to your specific facts.

### Quick Tip

The term "person" includes an individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, and association.

**Ex 3.6** - Sally Perez contributed \$98 from her personal funds and another \$98 from the funds of her wholly-owned business, Flowers by Sally Perez, to the Anderson Committee. Because contributions from an individual and his or her business, or from any other account he or she directs and controls, are considered to be from a single contributor, the Anderson Committee must itemize both contributions and report a cumulative amount received from Sally and her business of \$196 on its committee campaign statement.

**Ex 3.7** - EXtream Snowboards, Inc., made a contribution of \$99 to the Johnson Committee. EXtream Snowboards, Inc., is a wholly-owned subsidiary of LeesureTech Industries, which also made a contribution of \$99 to the Johnson Committee. If there was coordination between EXtream Snowboards and LeesureTech Industries, their contributions are considered to be from a single contributor. The Johnson Committee must itemize both contributions and report a cumulative amount received of \$198 on its campaign statement.

**Ex 3.8** - William Smith is a developer with four separate corporations. William makes political contributions from his personal funds and directs and controls the contributions of each of his corporations. William made a contribution of \$1,000 from his personal funds and contributions of \$2,000 from the funds of each of his corporations to the committee. Because he directed and controlled all of these contributions, they are considered to have been made by a single contributor. The committee must itemize each contribution and show a cumulative amount received of \$9,000.

**Ex 3.9** - Southwest TeleCom has a greater than 50 percent ownership interest in American TeleCom. Each entity, entirely on its own and with separate decisionmaking bodies, makes a contribution of \$1,000 to a committee. The committee does not aggregate these contributions because Southwest TeleCom and American TeleCom acted independently in their decisions to make the contributions.

## **E. Reporting the Intermediary of a Contribution**

An intermediary is a person or entity that makes a contribution on behalf of another person. For example, an employee who is reimbursed for a contribution by his/her employer is not the true source of the funds, but the intermediary of the employer's contribution.

A committee receiving a contribution of \$100 or more from an intermediary must report the true source and the intermediary. The campaign statement will identify both the intermediary's and the true source's name and address, and, if applicable, the occupation and employer.

**Failure to disclose the true source of a contribution is considered one of the most serious violations of the Political Reform Act.**

**Ex 3.10** - Berry and Vienna each made a \$100 contribution from their personal funds to support Tina Baker for city council, with the understanding that they would be reimbursed by their employer. Berry and Vienna must tell the committee that they are acting as intermediaries on behalf of their employer. The committee must itemize the \$200 contribution from the employer and also disclose Berry and Vienna as intermediaries.

**Ex 3.11** - An organization collects ten contributions earmarked for a candidate's campaign. The organization deposits the contributions and provides the campaign committee one check from the organization rather than providing ten individual checks. The organization is an intermediary and the individuals are the contributors. Both the true source and the intermediary must be disclosed on the campaign statement.

Candidates and committees are required to check and, if necessary, correct any information regarding the true source of a contribution that a person of reasonable prudence would question based on all of the surrounding circumstances. If there is reason to question the source of a contribution (e.g., there is reason to believe the information contained on the contribution check does not contain the name of the person who is actually making the contribution), the donor should be asked if he or she is acting as an intermediary for the true source of the contribution.

This manual cannot address all scenarios that may need to be questioned, but it is prudent to question unusually large contributions from sources unfamiliar with the candidate or his/her agents; a series of contributions from a single employer; and, significant contributions from a nonprofit organization or multipurpose organization that is not registered as a political committee on the Secretary of State's website.

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## **F. Reporting Various Types of Contributions**

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**Electronic Receipt of Contributions:** Contributions may be received by credit card, wire transfer, via the Internet, cell phone text message, telephone, debit account transaction, or similar electronic payment options. All of the reporting and recordkeeping requirements apply to these contributions. Some tips are:

- For contributions of \$25 or more, the committee treasurer should make sure that a copy of the credit card voucher or other documentation is sent to the committee as soon as practicable after the contributions are made.
- The entire amount charged to the contributor is reported as a contribution.
- Fees associated with this type of fundraising or deducted by the vendor before the contributions are sent to the committee are reported as expenditures. The fees are not deducted from the amount of each contribution reported.
- Contributions made by text message are received on the date the mobile device company receives the funds from the contributor, not the date the text was sent.

**Fundraisers:** The full amount (face value) of a fundraiser ticket is a reportable contribution, unless it is a joint committee/charity fundraiser advertised with specific attribution. The costs of the event are not subtracted when determining the amount of the contribution.

**Auctions and Garage Sales:** When items are donated for auction or sale at a fundraiser, the donated item is a nonmonetary contribution. (See below for determining the value.) When someone buys an item, the payment is considered a “Miscellaneous Increase to Cash” and is reported as such. If any person or entity pays \$100 or more, the payment is itemized.

When someone pays more for an item than it is worth, the amount that is equal to the fair market value is reported as a miscellaneous increase to cash and the amount over the fair market value is reported as a monetary contribution. Each is itemized at \$100.

**Bar Receipts:** Funds received by selling drinks at a fundraiser at fair market value are reported as miscellaneous increases to cash, not contributions.

**Ex 3.12 -** Your committee holds a golf fundraiser and charges \$200 per person. After the event, you determine that it cost your committee \$50 per person to pay the caterer, hall rental, entertainment, invitations, etc. The invitations state that half of the ticket cost will be donated to a charity and half will be contributed to your committee. Report on Schedule A of the Form 460 a \$100 contribution from each of the ticket purchasers, as well as the contributor’s name, address, occupation, and employer. Do not subtract the per person costs from each ticket sold. The expenses will be reported on Schedule E of the Form 460.

**Ex 3.13 -** A restaurant donates a dinner for four worth \$200 to your committee. At your committee’s auction, Gloria Sanchez bids \$300 and wins the dinner for four. Itemize \$200 as a nonmonetary contribution from the restaurant on Schedule C of the Form 460. Itemize Ms. Sanchez on Schedule I of the Form 460 (\$200 miscellaneous increase to cash) and on Schedule A of the Form 460 as a contributor of \$100 (the amount over the fair market value).

**Raffle Tickets:** Receipts from the sale of raffle tickets at a fundraiser are reported as contributions. Items donated for raffle prizes are reported as nonmonetary contributions. (Note that Penal Code section 319 imposes some restrictions on raffles. Contact your county's district attorney for further information.)

**Joint Checking Accounts:** Individuals (including spouses) may make separate contributions from a joint checking account. For reporting purposes, the full amount of the contribution is reported as coming from the individual who signs the check. If two or more individuals sign the check, the contribution is divided equally between or among the signers, unless there is an accompanying document signed by each individual whose name is printed on the check that clearly indicates a different apportionment.

A check drawn on a joint checking account that is signed by an individual not listed on the check (e.g., an accountant) must be accompanied by a document signed by at least one of the individuals listed on the check stating to whom the check is to be attributed.

**Business Accounts:** Generally, if a check is drawn on the account of a business entity, the contributor is the business entity, not the person who signs the check.

**Minor Children:** A contribution made by a child under the age of 18 is presumed to be a contribution from his or her parent or guardian, unless the facts show otherwise, e.g., that the child actually chose to make the contribution.

**Text Contributions:** For a contribution received by a text message, the contributor is the person who is subscribed to the cell phone number that texted the contribution.

**Transfers from a Prior Campaign:** Candidates who have more than one campaign bank account and controlled committee may transfer funds from one account/committee to another so long as the funds are not "surplus funds."

**Ex 3.14** - Linda and Jerry Nelson have a joint checking account. From this account, Linda signed a \$100 check payable to Friends of Joshua Truman. The committee identifies Linda Nelson as the contributor of the full \$100.

**Ex 3.15** - Barbara Taylor was defeated in a June election. In order to use the leftover funds for a future election, she must transfer the remaining funds to a new account within 90 days of the postelection reporting period. If the funds are not transferred by that date, they are considered "surplus funds" and may not be used for a future election.

Leftover funds become surplus upon the 90th day after leaving an elective office, or the 90th day following the end of the postelection reporting period following the defeat of a candidate for elective office, whichever occurs last. See Chapter 8 for information about how to report transferred funds.

Chapter 11 includes a discussion about the rules for using leftover campaign funds for a future election.

**Contributions from the Candidate:** A payment from a joint checking account that bears the name of the candidate and spouse is considered a contribution from the candidate. This is true even if the spouse signs the check.

A contribution received from a spouse's legally separate funds and signed by the spouse is considered to be made by the spouse and is subject to possible contribution limits and other applicable provisions of the Act.

A candidate's business, other than a sole proprietorship, is considered a separate legal entity. Therefore, contributions from the business are not considered to be the candidate's personal funds and may be subject to local contribution limits. Generally, contributions from a candidate's sole proprietorship to the candidate are not considered to be from a separate entity and are therefore not subject to contribution limits, if any. Note: Contributions to another candidate or committee from the candidate and his or her sole proprietorship are aggregated for purposes of contribution limits. (See *Burch* Advice Letter, No. A-14-032.)

**Contributions from Other Candidates:** Candidates and committees may receive contributions, subject to contribution limits, if any, from other candidates or officeholders.

**Quick  
Tip**

There are restrictions on transfers of funds to run for state office. See FPPC's Information Manual for State Candidates (Manual 1) for further information. In addition, candidates and committees should check with the local elections office to determine if there are local contribution limits or other restrictions pursuant to a local campaign ordinance.

**Undesignated Contributions:** Candidates who are soliciting contributions for more than one office and receive a contribution that has not been designated for a specific office may deposit the contribution in any of their campaign bank accounts. An undesignated monetary contribution must be reported on the campaign statement for the reporting period in which it is received, and must be deposited in the campaign bank account for the controlled committee to which it is being allocated within 30 days of receipt.

Undesignated nonmonetary contributions must be allocated to a particular committee within 30 days of receipt or by the reporting deadline for the reporting period in which the contribution is received, whichever is earlier.

## G. Valuing Nonmonetary Contributions

This section provides assistance in determining how to value nonmonetary contributions so that they may be reported accurately. The varieties of nonmonetary contributions are vast, so it is not possible to present all possibilities. Contact the FPPC for assistance.

**Fair Market Value:** When a nonmonetary contribution is received, the fair market value of the goods or services (the amount it would cost a member of the public to purchase the goods or services) must be reported. If the committee does not know the fair market value of a nonmonetary contribution (e.g., an original piece of artwork), the committee may send an e-mail or a letter requesting that the contributor provide the value of the contribution in writing. The contributor is legally required to provide an amount if the value of the contribution is \$100 or more.

**Employee Time:** If an employer donates the use of an employee to work on campaign activities for one or more campaigns, the amount the individual is paid is reportable as a nonmonetary contribution from the employer if the employee spends more than 10 percent of his or her compensated time in a calendar month working on campaign activity. To determine the contribution amount, the gross compensation is allocated to the time spent on campaign activity. Compensation includes wages paid and any benefits in lieu of wages,

**Ex 3.16** - The owner of an electronics store donates an iPad valued at \$550 to your committee for sale at an upcoming auction. Although the cost to the owner is less than \$550, the nonmonetary contribution is reported at the fair market value amount of \$550 (the amount it would cost a member of the public to purchase the iPad).

**Ex 3.17** - An accounting firm provides your committee with the services of an accountant. The accountant spends 25 percent of her time working for the campaign. This percentage of her gross compensation is \$2,000. The amount of the nonmonetary contribution reported from the accounting firm is \$2,000.

such as stock options or an annuity purchase. Compensation does not include routine benefits, such as the employer's payments to a health care or retirement plan.

**Discounts:** If the committee receives a discount on goods or services it purchases and the discount is not offered to the public in the regular course of business, the discount is a nonmonetary contribution that must be reported.

**Private Air Transportation:** A person that provides a candidate with a flight in a private airplane is making a nonmonetary contribution. The value is determined by using either the commercial rate to the destination, if available, or the charter rate divided by the number of passengers on the flight.

**E-Mail Lists:** If a list of e-mail addresses is donated, the fair market value must be reported as a nonmonetary contribution.

**Corporate Stock:** The contribution of corporate stock must be reported and valued as listed on the stock exchange on the date of receipt. When the stock is sold, the total proceeds of the sale are reported on Schedule I as a miscellaneous increase to cash. If the purchaser is unknown, report the brokerage firm as the source with a notation that the payment represents the sale of stock. Broker's fees must be reported on Schedule E.

**Ex 3.18** - Your committee treasurer knows the owner of a printing shop and the owner provides your committee a 50 percent discount on the printing of a brochure that normally would cost \$1,200. Your committee must report a nonmonetary contribution of \$600 from the printing shop.

## H. Valuing Mailings, Telephone Banks, Polls

Generally, the fair market value of a communication is reported as a contribution when it expressly advocates support of or opposition to a candidate and was made at the behest of (or in coordination with) the affected candidate or primarily formed committee.

**Multiple Candidates/Measures:** If a communication expresses support of or opposition to more than one candidate or ballot measure, the fair market value attributable to each may be calculated by prorating the costs among the featured candidates and ballot measures. The prorated value is based on the amount of space allotted to each candidate or measure supported or opposed in the mailer.

**Ex 3.19** - The Express Paper Company agrees to produce a mailing for your committee. The value of the nonmonetary contribution is the amount it would have cost your committee if it had paid fair market value for the mailing, which is likely more than what the actual costs were to the company.

The value of a mailer that supports or opposes candidates and measures being voted on in different jurisdictions may be prorated based on the number of mailers sent to each candidate or ballot measure's jurisdiction.

**Political and Non-Political Material:** The cost of a communication containing both express advocacy in support of or opposition to a candidate, as well as non-political material, may be prorated. Costs directly associated with the political message are reportable by the candidate, including, for example, compensation paid to employees who spend more than 10 percent of their compensated time in a calendar month producing or mailing the political materials, and the pro rata cost of paper, envelopes, and postage. The allocation may be based on the comparative number of pages or the comparative amount of weight between the political and non-political materials.

**Bulk Rate Permits:** Use of an organization's bulk rate permit is a nonmonetary contribution from the organization. If the committee pays the actual postage costs incurred under the bulk rate permit, the fair market value of the contribution is either:

- The price the organization paid for the bulk mailing permit; or
- The difference in postage costs between the bulk mailing rate and that of regular mail.

**Phone Banks:** Businesses and other entities will sometimes allow a committee to use their phones to call prospective voters during non-business hours. The fair market value of the use of the phones is calculated to determine the amount reported as a nonmonetary contribution, even if only local calls are made. One method to determine the fair market value is to contact organizations that provide phone banks as a business. Note: Disclaimers are required on certain paid telephone calls. (See Chapter 7.)

**Polls & Surveys:** A person or entity that provides data from a public opinion poll or survey to a candidate or committee is making a nonmonetary contribution if the candidate or committee requests the data or the data are used for political purposes. Standards used by the Federal Election Commission (11 CFR 106.4) may be used for

**Ex 3.20** - A Chamber of Commerce produces and mails a one-page flyer urging voters to vote for supervisor candidate Smith and vote against two ballot measures. Half of the flyer is devoted to supporting candidate Smith and the other half equally opposes the two measures. The Chamber coordinates the mailing with candidate Smith. The total cost of producing and mailing the flyer was \$10,000. Candidate Smith must report a nonmonetary contribution of \$5,000 from the Chamber.

**Quick Tip**

If the organization pays for the costs of the mailing using its bulk rate permit and the committee does not have such a permit, the amount it would have cost to pay for the mailing using regular mail or the cost of the bulk rate mailing plus the cost of a permit should be reported as a nonmonetary contribution.

valuing polling or survey data. The formula is based on the age of the data. The chart below illustrates the fair market value of data based on the number of days that pass from the date the entity originally received the data to the date the data were provided to the candidate or committee.

Age of Data	Value
0 - 15 days	Full Value
16 - 60 days	50%
61 - 180 days	5%
More than 180 days	No Value

When only a portion of a survey is provided to or for the benefit of a candidate or committee, the nonmonetary contribution is the prorated portion of the total value of the survey.

**Ex 3.21** - A local business association commissioned a public opinion poll to determine voters' attitudes about candidates running for Governor and candidates in a Senate district. The association provided the poll results to a candidate for Governor and certain Senate candidates. Since only a limited number of questions pertained to the Senate district issues, the candidates for Senate who received the poll results may prorate the poll costs to determine the nonmonetary contribution amount they must report.

## I. Notification to Contributors of \$5,000 or More

Committees that receive one or more contributions totaling \$5,000 or more in a calendar year from an individual or entity that made the contribution(s) from personal, business, corporate, or general funds must send the contributor written notice that they may have a filing obligation.

Generally, the notice must be mailed, faxed or e-mailed to the contributor **within two weeks** of receiving contributions totaling \$5,000 or more. But, if a contribution of \$10,000 or more is received in the 90 days prior to or on the date of the election, the notice must be mailed, faxed or e-mailed to the contributor **within one week**. A copy of each notice or a record of all notices showing the date sent and the name and address of the person receiving the notice must be retained.

The notice does not need to be sent again for subsequent contributions received from the same contributor in the same calendar year. In addition, the notice is not required to be sent if the source of the contribution is a candidate, officeholder, or an existing committee because they already are required to file campaign statements.

The notice may be tailored as long as it contains language substantially similar to the language below:

### **Major Donors**

*If your contribution(s) to this committee and to other California state or local committees total(s) \$10,000 or more in a calendar year, California law requires you to file a Major Donor Committee Campaign Statement (Form 461). The deadline and location for filing this statement will depend upon the timing and type of contribution(s) you have made. For additional information, visit [www.fppc.ca.gov](http://www.fppc.ca.gov) and review the available campaign materials.*

### **Multipurpose organizations including nonprofits**

*If your organization is a multipurpose group, it may qualify as a major donor committee required to file Form 461 or as a recipient committee required to file the Form 460 disclosing donors. Refer to Government Code Section 84222 and FPPC Regulation 18422 to determine your filing requirements. For additional information, visit [www.fppc.ca.gov](http://www.fppc.ca.gov) and review the available campaign materials.*

### **24-Hour Reports**

*Major donors, nonprofits, and other multipurpose organizations that trigger reporting obligations must also file a 24-hour Contribution Report (Form 497) if you:*

- *Make contributions totaling \$1,000 or more to a single candidate, any of the candidate's controlled committees, or to a committee primarily formed to support or oppose a candidate or ballot measure during the 90 days prior to the election, or on the date of the election, in which the candidate or ballot measure is being voted on; or*
- *Make contributions totaling \$1,000 or more to state or county political party committees during the 90 days prior to a state election, or on the date of the election, including state special elections.*

#### **Quick Tip**

Once contributions of \$10,000 or more are made, the major donor may be required to immediately file Form 497 (24-hour Contribution Report). Committees should provide donors the link to the appropriate FPPC filing schedule.

## **Electronic Filing**

*State committees that make contributions of \$25,000 or more must file electronically with the Secretary of State. State committees that are required to file the Form 497 (24-hour Contribution Report) must file this form electronically even if the \$25,000 threshold has not yet been met. For more information on the electronic filing requirements, contact the Secretary of State's office at (916) 653-6224. Local committees should contact the local jurisdiction to determine if there are electronic filing requirements.*

## **Late Filing Penalties and Fines**

*Failure to file campaign statements may result in late filing penalties of \$10/day (state committees may be fined \$20/day if they must file electronically and on paper) and fines of up to \$5,000 per violation.*

## **FPPC Assistance**

*For assistance with your filing obligations, contact the Fair Political Practices Commission toll-free at (866) ASK-FPPC, send an e-mail to [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov), or refer to their website: [www.fppc.ca.gov](http://www.fppc.ca.gov).*

## **J. Returning Contributions**

There are several provisions in the Act and FPPC regulations that regulate the return of contributions. The general rule is that a committee may return all or part of a contribution to the contributor so long as the return is reasonably related to a political, legislative, or governmental purpose.

**General Rules:** If a contribution is deposited, cashed or negotiated, it must be disclosed on the next campaign statement, even if it is subsequently returned. If a contribution is not deposited, cashed, or negotiated, it is not required to be reported under the following circumstances:

- **Outside the 90-Day Election Period:** A contribution is not required to be reported (by the donor or the committee receiving the funds) if it is not deposited, cashed, or negotiated and it is returned to the contributor before the closing date of the campaign statement on which it would otherwise be reported.
- **During the 90-Day Election Period:** A contribution of \$1,000 or more received during the 90 days before an election, including the date of the election, is not required to be reported (by the donor or the committee receiving the funds) if it is not deposited, cashed, or negotiated and it is returned to the contributor within 24 hours of receipt.

**Missing Contributor Information:** A contribution of \$100 or more must be returned within 60 days of receipt if the committee has not obtained the contributor's name, address, and, in the case of a contributor who is an individual, his or her occupation and employer. If the committee returns the contribution for lack of information, and the check is not cashed by the contributor within 90 days, the committee must, within the next 30 days, forward the amount to the general fund of the local jurisdiction.

## Answering Your Questions

- A. Our committee is holding a \$200 per person dinner fundraiser. The actual cost of the event to our committee will be \$75 per person. When someone pays \$200 to attend the dinner, do we subtract the \$75 cost to our committee and report receiving a \$125 contribution?**

No. Report the full amount paid for the fundraiser ticket (\$200) as the contribution. The costs to the committee will be reported on Schedule E (Expenditures) of the Form 460.

- B. When we send out a fundraising letter, are we required to put our committee identification number on the invitation?**

There is no requirement to include the committee identification number, but it is highly recommended. Many campaigns do so because others need the information for their own reporting forms.

**C. We would like to hold a raffle at our next fundraiser. Are there any restrictions on raffles?**

The Political Reform Act does not restrict raffles; however, Penal Code 319 does prohibit certain raffles. The Penal Code is interpreted and enforced by each county's district attorney. Contact the local district attorney where the raffle will be held for further information. Of course, be sure all of the reporting and recordkeeping requirements are met.

**D. If my next door neighbor spends \$1,000 on an event to help raise funds for two different candidates and the event is held in her home, has she made a contribution to each committee?**

Yes. The total cost of a home fundraiser must be \$500 or less or the event will qualify as a nonmonetary contribution. This is true no matter how many committees benefit from the event.

**E. If I hold a fundraiser in my home for my candidacy, and the total cost is \$500 or less, would the home/office fundraiser exception apply, meaning nothing would need to be reported on the Form 460?**

No. A candidate must deposit any personal funds that will be used to promote his or her election into the campaign bank account. Therefore, any expenditures made for the fundraiser must be reported on your Form 460.

**F. May a nonprofit organization hold a joint fundraiser with a political committee?**

Yes. However, any costs incurred by the nonprofit organization which are not reimbursed by the political committee would be considered to be a nonmonetary contribution from the nonprofit to the political committee. The nonprofit organization should contact the IRS for any possible restrictions based upon the organization's tax status.

- G. Is volunteer work provided by some people considered a nonmonetary contribution because of the volunteer's profession, such as free legal advice provided by a lawyer or bookkeeping done by a CPA?**

No. Volunteer personal services, regardless of the profession of the individual, are not reportable so long as the individual providing the services is not paid by a third party.

- H. Three candidates wish to conduct individual polls. A polling firm has offered a reduced rate because all three polls can be combined using one very large sample. Are the candidates receiving contributions from the polling firm because of the discounted fee, and are the candidates making contributions to each other?**

To the extent each candidate pays only his or her share of the cost of the poll, the candidates are not making contributions to each other. Additionally, if the polling firm provides the discount as part of its standard business policy of providing discounts in similar situations and does not provide the discount for political purposes, the candidates will not receive a contribution from the polling firm.

- I. A committee receives a contribution from a joint checking account signed by one of the individuals. The contribution exceeds local limits. If the committee later receives a document stating that the contribution is from both individuals, may the contribution be reported that way?**

No. A document must accompany the contribution at the time the contribution is received in order for the contribution to be reported from both individuals. This is true for contributions made by check or electronic means.

**J. If a potential donor takes me out to dinner to discuss my school board campaign and pays for my meal, do I report the meal as a nonmonetary contribution?**

No. Because there is a personal benefit to you, the payment for the meal would be considered a gift to you, not a contribution.

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### **Authority**

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The following Government Code sections and Title 2 regulations provide authority for the information in this chapter:

#### **Government Code Sections**

- 82015 Contribution.
- 82018 Cumulative Amount.
- 82025 Expenditure.
- 82025.5 Fair Market Value.
- 82036 Late Contribution.
- 82047 Person.
- 84105 Notification of Contributors.
- 84211 Contents of Campaign Statement.
- 84216 Loans.
- 84300 Cash and In-Kind Contributions; Cash Expenditures.
- 84302 Contributions by Intermediary or Agent.
- 84306 Contributions Received by Agents of Candidates and Committees.
- 85308 Family Contributions.
- 85311 Affiliated Entities; Aggregation of Contributions.
- 85312 Communications to Members of an Organization.
- 85700 Donor Information Requirements; Return of Contributions.

#### **Title 2 Regulations**

- 18215 Contribution.
- 18215.1 Contributions; When Aggregated.
- 18215.2 Uncompensated Internet Activity by Individuals that is not a Contribution or Expenditure.
- 18216 Enforceable Promise to Make a Payment.
- 18225 Expenditure.

- 18421.1 Disclosure of the Making and Receipt of Contributions.
- 18421.3 Reporting of Contributions and Expenditures Collected by Contract Vendors or Collecting Agents.
- 18421.31 Text Message Contributions.
- 18423 Payments for Personal Services as Contributions and Expenditures.
- 18427.1 Notification to Contributors of \$5,000 or More.
- 18428 Reporting of Contributions and Independent Expenditures Required to be Aggregated.
- 18430 Committee Controlled by More Than One Candidate.
- 18432.5 Intermediary.
- 18523 Nondesignated Contributions or Loans.
- 18531.7 Payments for Communications – Section 85312.
- 18533 Contributions from Joint Checking Accounts.

# CONTRIBUTION RESTRICTIONS

Although the Political Reform Act (Act) is primarily a disclosure law, there are several important restrictions and prohibitions on receiving contributions. This chapter reviews these restrictions and prohibitions, as well as some that are contained in laws other than the Political Reform Act.

In addition, while the receipt of campaign contributions generally will not create a conflict of interest for an elected officeholder in the performance of his or her duties, contributions may be the source of a conflict of interest for officeholders or candidates who are also appointed to certain boards or commissions. The section on "Disqualification and Campaign Contributions" covers this area of the law.

## A. Local Contribution Limits

The Political Reform Act does not contain contribution limits for local candidates, but provides that cities and counties may adopt contribution limits applicable to their elections. Many California cities and counties have adopted campaign ordinances that include contribution limits and other disclosure provisions.

The FPPC's website lists cities and counties with local campaign finance rules and links to the ordinances. For questions about local contribution limits, candidates and committees should contact their city clerk, county elections office, or their City Attorney's or County Counsel's office.

### Quick Tip

Check with your local elections office to determine if local campaign finance rules apply to your campaign.

## B. Restrictions under the Political Reform Act

### Reporting the True Donor

If a contribution of \$100 or more is received from a single source in a calendar year, the source must be identified on the committee's Form 460. If a contribution is received through an intermediary, both the intermediary and the true source of the contribution must be identified. (See Chapter 3 for additional information about intermediaries.)

Failure to disclose the true source of a contribution is often referred to as campaign money laundering, which is a serious violation of the Act. One type of common violation is when an employer reimburses individual employees for contributions so that the committee receiving the contributions discloses the employees rather than the true source of the contribution (the employer) on campaign disclosure reports.

Another occurrence is when a person (organization, business, individual) makes a contribution to another person with the condition, agreement or understanding that the payment will be subsequently used for political purposes, such as a contribution to another committee. It is a violation for persons to conceal their identities by contributing through another person.

Committee treasurers must inquire about any information that a person of reasonable prudence would question based on all available information. It is not possible to describe every situation that might trigger a duty for a treasurer to inquire if a contribution is identified correctly. Some examples are the size of the contribution, the reported source, and the likelihood of that source making a contribution of the size reported.

If it is discovered that a committee received a contribution and the donor and intermediary were not properly identified, the contribution must be paid to the Secretary of State for deposit in the State General Fund. When the action is brought under a local campaign ordinance, a local committee may pay the contribution to the local jurisdiction for deposit in its general fund.

**Ex 4.1** - A committee receives contributions of \$1,000 each from ten different individuals in the same week. The committee treasurer and campaign fundraiser did not make specific solicitations to the individuals. Upon the treasurer's request, the individuals state that they all work for the same employer. The committee treasurer has a duty to inquire to determine if the employer reimbursed the employees.

## Cash Contributions

The committee may not accept a cash contribution of \$100 or more. Such a contribution will not be deemed “received” if it is not deposited or spent and is returned to the contributor prior to the end of the reporting period of the campaign statement on which the contribution would otherwise be reported. Even if the contribution is inadvertently deposited, it is not deemed “received” if it is refunded within 72 hours of receipt. However, a cash contribution of \$1,000 or more that is received in the 90 days before the election, including the date of the election, that is inadvertently deposited must be refunded within 48 hours in order to not be deemed “received.”

## Anonymous Contributions

Anonymous contributions of \$100 or more are prohibited. If the committee receives a cash contribution of \$100 or more from an unknown source, it must be sent to the Secretary of State for deposit in the State General Fund.

## Contributions Made by Money Orders/Cashier's Checks/ Traveler's Cheques

Contributions of \$100 or more made by money order, cashier's check, or traveler's cheque are prohibited and must be returned to the contributor, or, if made anonymously, sent to the Secretary of State for deposit in the State General Fund.

All monetary contributions of \$100 or more must be made by written instrument (such as a check) containing the name of the donor and drawn from the account of the donor or the intermediary. Contributions may also be received by credit card (including over the Internet), wire transfer, or other electronic means. (See Chapter 3.)

## Contributor's Legal Name

Contributions must be made in the name by which the contributor is identified for legal purposes.

### Quick Tip

Even if change is immediately provided, a committee may not accept \$100 or more in cash from a single source. For example, if the committee is holding a fundraiser and charging \$50 per person, an attendee may not pay with a \$100 bill. The payment must be made by personal check, debit card, or credit card.

## Commingling Funds

Campaign funds may not be commingled with any individual's personal funds; they must be kept in an account separate from any account that contains personal funds. In general, campaign funds may not be used for personal expenses. (See Chapter 5 for information about the use of campaign funds.)

### Quick Tip

Campaign contributions must be kept separate from personal funds and may not be used for personal expenses.

## Contributions Delivered in State Office Buildings

A contribution may not be delivered to or received by another person, personally or through an agent, in the State Capitol or any other state office building for which the State of California pays the majority of the rent. "Personally delivered" includes the delivery of a copy or facsimile of a contribution, and the original or a copy of a contribution transmittal letter. This prohibition does not apply to contributions received or delivered in a legislative district office or those sent by postal mail.

## Contributions from State Lobbyists

A state lobbyist may not make a contribution to an elected state officer or a candidate for elective state office if the lobbyist is registered to lobby the governmental agency of the elected officer or the agency to which the candidate is seeking election. The lobbyist also may not contribute to a local committee controlled by a state officer or candidate for elective state office.

## State Lobbyist and Lobbying Firm Fundraisers

A fundraiser held in the home of a state lobbyist is considered a contribution; therefore, a lobbyist or a cohabitant of a lobbyist is prohibited from holding a fundraiser in his or her home for a candidate seeking election to a governmental agency that the lobbyist is registered to lobby. This includes a local candidate/officeholder that is seeking election to a state office. A similar prohibition applies to lobbying firms holding fundraisers at their offices.

## Contributions from Foreign Governments or Foreign Principals

Committees are prohibited from soliciting or accepting contributions from a foreign government or foreign principal in connection with a candidate or ballot measure in any state or local election. (52 U.S.C. Section 30118 and Government Code Section 85320 of the Act.)

For purposes of this prohibition, a “foreign principal” includes:

- A foreign political party.
- An individual outside the United States, unless the individual is a United States citizen.
- A corporation outside of the United States, unless it is organized or created by the laws of the United States or any place subject to the jurisdiction of the United States, and its principal place of business is within the United States.
- A foreign partnership, association, corporation, or organization.
- A domestic subsidiary of a foreign corporation if the decision to contribute or expend funds is made by an officer, director, or management employee of the foreign corporation who is not a citizen of the United States or a lawfully-admitted permanent resident of the United States.

Contributions, expenditures, or independent expenditures made by a lawfully-admitted permanent resident (e.g., a “green card” holder) of the United States are permitted.

### **Soliciting Contributions from Public Employees**

Government Code Section 3205 prohibits a local candidate from knowingly, directly or indirectly, soliciting a political contribution from any employees of his or her agency or from a person on an employment list of that agency. There is an exception for solicitations that are made to a significant segment of the public. For further information, contact the Attorney General’s office at (800) 952-5225 or the local district attorney.

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## **C. Public Funds and Public Resources**

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The Political Reform Act prohibits the payment of public moneys, in the form of matching funds or cash subsidiaries, for the financing of elections, except for elections in charter cities and counties. In addition, laws outside the Act prohibit the use of public resources,

such as office equipment, staff time, etc., for campaign or personal purposes. (Education Code Section 7054; Gov. Code Section 8314; Penal Code Section 426; and *Vargas v. City of Salinas* (2009) 46 Cal 4th 1.)

Government Code Section 54964 prohibits an officer, employee or consultant of a local agency from expending or authorizing the expenditure of any local agency funds to support or oppose a candidate or ballot measure. For further information about laws outside the Act, contact the Attorney General's office at (800) 952-5225 or the local district attorney.

## D. Campaign Contributions and Disqualification

Generally, campaign contributions received in connection with an elective office do not serve as the basis for disqualifying an official from voting on a matter affecting the contributor. However, if an elected official or candidate also holds a position on an appointed board or commission, he or she may be restricted from soliciting or receiving campaign contributions from persons with business before the board or commission. He or she may be subject to Government Code Section 84308 which:

- Prohibits an officer from soliciting, accepting, or directing campaign contributions of more than \$250 from any party, participant, or agent of a party or participant, while a proceeding involving a license, permit, or other entitlement for use is pending before the officer's agency and for three months following the date of that decision. This prohibition applies even when the contribution is for another candidate.
- Requires disclosure of all such campaign contributions and also requires an official's disqualification from making decisions in certain proceedings in which the official is acting in an appointed position if the official has received more than \$250 in campaign contributions from a party or participant within 12 months preceding the decision.

### Quick Tip

Using public resources for campaign purposes is prohibited.

**Ex 4.2** - Three city councilmembers and two county supervisors serve on the Local Agency Formation Commission (LAFCO). Since the councilmembers and supervisors were appointed to the commission, they may not vote on a LAFCO issue if they have received a contribution in the last 12 months of more than \$250 from someone who is a party, participant, or agent in the proceeding.

**Ex 4.3** - A planning commissioner serves as the treasurer for a councilmember's campaign. The planning commissioner may not solicit, accept, or direct a campaign contribution of more than \$250 for the councilmember's campaign from a party, participant, or agent whose proceeding is pending before the planning commission.

## Who is Covered?

Generally, appointed board members, commissioners, or individuals who head state or local government agencies and who make decisions in proceedings involving licenses, permits, or other entitlements for use are subject to Section 84308. Common positions include:

- Planning Commissioners
- Local Agency Formation Commission (LAFCO) members
- Members of redevelopment agencies which are not entirely comprised of elected members of the same agency
- Transportation Authority members
- Air Quality Management District members
- Waste Management Authority members
- California Coastal Commissioners

## Exempted Agencies

Section 84308 does not apply to the following agencies:

- Judicial branch
- Legislature
- Board of Equalization (Gov. Code Section 15626 applies)
- Constitutional officers
- Local agencies whose members are elected by the voters (e.g., board of supervisors, city council, or school board)
- Committees of an agency that are comprised solely of elected members of the same agency (e.g., city councilmembers who serve on the city's budget and finance committee)
- Elected members of an agency, all of whom also serve as the governing body of another agency (i.e., city councilmembers who also serve on the city's redevelopment agency board)

**Ex 4.4** - Sarah is a city council candidate. She also is an appointed member of the city's planning commission. Christopher has a permit request pending before the planning commission. Under Section 84308, Sarah is prohibited from soliciting or receiving any contribution of more than \$250 from Christopher or Christopher's agent.

**Ex 4.5** - Sarah wins the election and resigns her position on the planning commission. Since she is now serving solely in an elected position, she is not required to disqualify herself from making decisions on the city council by virtue of receiving contributions of more than \$250 from any person.

In determining whether a board or commission is exempt for purposes of Section 84308, the focus should be on the actual make-up of the board or commission. For example, the governing board of a sanitation district may consist of both elected and appointed members, but which, in fact, consists solely of the board of supervisors, is exempt under Section 84308.

## **Authority**

The following Government Code sections and Title 2 regulations provide authority for the information in this chapter:

### **Government Code Sections**

- 82015 Contribution.
- 84300 Cash and In-Kind Contributions; Cash Expenditures.
- 84301 Contributions Made Under Legal Name.
- 84302 Contributions by Intermediary or Agent.
- 84304 Anonymous Contributions.
- 84307 Commingling with Personal Funds.
- 84308 Contributions to Officers; Disqualification.
- 84309 Transmittal of Campaign Contributions in State Office Buildings.
- 85700 Donor Information Requirements; Return of Contributions.
- 85701 Laundered Contributions.
- 85702 Contributions from Lobbyists.
- 85704 Prohibition on Earmarking.

### **Title 2 Regulations and Opinion**

- 18432.5 Intermediary.
- 18438.1 Officers and Agencies Under Government Code Section 84308.
- 18438.5 Aggregated Contributions Under Government Code Section 84308.
- 18438.6 Solicitation, Direction, and Receipt of Contributions Under Government Code Section 84308.
- 18438.7 Prohibitions and Disqualification Under Government Code Section 84308.
- 18438.8 Disclosure Under Government Code Section 84308.
- 18439 Definition of "Personally Deliver."
- 18572 Lobbyist Contributions – Making a Contribution Defined.

*Pelham Opinion (2001) 15 FPPC Ops. 1*

# USE OF CAMPAIGN FUNDS

The use of campaign funds by candidates, elected officials, and others who control the expenditure of campaign funds, is strictly regulated. The expenditure of campaign funds must be reasonably related to a political, legislative, or governmental purpose.

If an expenditure confers a substantial personal benefit on the candidate, officeholder, or any individual authorized to approve campaign expenditures, the expenditure must be directly related to a political, legislative, or governmental purpose. A substantial personal benefit means an expenditure of campaign funds which results in a direct personal benefit with a value of more than \$200.

The following are examples of specific expenditures and the rules regarding the use of campaign funds for such purposes. If the examples are not helpful, contact the FPPC for assistance about whether or not a specific use of campaign funds is permissible by sending an e-mail with specific facts to [advice@fppc.ca.gov](mailto:advice@fppc.ca.gov).

**Quick Tip**

The FPPC has fined committees for payments made from a campaign account that were used for the following personal purposes: auto care services, doctor visits, clothing, and personal life insurance premiums.

## A. Campaign Expenditures

### Election Night Celebrations

Costs associated with election night celebrations or similar campaign events are considered to be directly related to a political, legislative, or governmental purpose; therefore, campaign funds may be used.

### Attorneys' Fees

Generally, attorneys' fees and other costs related to administrative, civil, or criminal litigation may only be paid with campaign funds if the litigation is directly related to activities of the committee that are consistent with its primary objectives. Campaign funds may be used to pay for expenses related to the following:

- Action to halt defamation;
- Defense of an action to halt defamation;
- Defense of an action for violation of state or local campaign, disclosure, or election laws;
- Litigation to secure a place on the ballot or challenge the wording of the ballot pamphlet;
- Contested election;
- Election recount; and
- Compliance expenses (for example, completing campaign disclosure reports).

## Reimbursements

If a bank account is required (see Chapter 1), the candidate must deposit personal funds in the campaign bank account and make expenditures from that account instead of spending personal funds for the campaign and later seeking reimbursement from campaign funds. However, any other individual (e.g., a volunteer or campaign worker) may make expenses from personal funds and be reimbursed, so long as the expenses are incurred for political, legislative, or governmental purposes and repayment is made within 45 days. An officeholder may use personal funds and be reimbursed for “officeholder” expenses. (See Chapter 8 for specific reporting rules and deadlines for reimbursements.)

**Ex 5.1** - The candidate’s spouse buys bagels for the morning shift of volunteer workers. After providing the treasurer with a receipt for bagels, the treasurer may reimburse the spouse for his expenses so long as the reimbursement is made within 45 days of the payment.

## Automobile Lease or Purchase

When making payments associated with leasing, purchasing, or operating a vehicle, such as insurance, maintenance, and repairs, the campaign committee must be the lessee or hold title to the vehicle. Additional titleholders may not be the candidate, officeholder, treasurer, or any other person who may approve campaign expenditures, or a member of any such person’s immediate family (spouse or registered domestic partner and dependent children). Additional lessees may not be the candidate, officeholder, treasurer, or a member of any of these persons’ immediate family.

## Future Election

Campaign funds leftover after an election may be redesignated for a future election to seek the **same office** so long as the funds are not “surplus funds.” In addition, campaign funds leftover after an election may be transferred to a new bank account for a future election to seek a **different office** so as the funds are not “surplus funds.” There is a discussion on when leftover funds become “surplus funds” at the end of this chapter. See Chapter 11 for the other requirements that must be met in order to use the funds for election to a future office.

## Gifts

Unless directly related to a political, legislative, or governmental purpose, personal gifts may not be paid for with campaign funds. However, gifts of less than \$250 in a calendar year to campaign employees or workers are permitted because they are considered to be directly related to a political, legislative, or governmental purpose. When a candidate controlled committee reports itemized expenditures for gifts, meals, or travel, specific details must be included as described in Chapter 8.

## Health-Related Expenses

A committee may use campaign funds to pay for health care benefits for its employees or independent contractors. However, campaign funds may not be used to pay for other health-related expenses such as health club dues, special dietary foods, or medical check-ups.

## Independent Expenditures

Candidates are prohibited from using campaign funds to make independent expenditures to support or oppose other candidates, or to make contributions to other committees for the purpose of making independent expenditures to support or oppose other candidates.

## Loans

Campaign funds may be used to make loans to other political committees, subject to applicable limits, if any. Transfers from a local candidate’s committee to his or her state committee must be attributed

to the original contributors. See Campaign Disclosure Manual 1 for state candidates for more information on transfers and attribution.

Campaign funds may also be used to make loans to bona fide charitable, educational, civic, religious, or similar tax-exempt, nonprofit organizations, so long as the loan does not personally benefit the officeholder, candidate, committee treasurer, or any individual with authority to approve the expenditure of campaign funds, or any such person's immediate family member. The loan must be reasonably related to a political, legislative, or governmental purpose. Campaign funds may not be loaned to an individual or to an entity other than those described above.

### **Professional Services**

When the committee reasonably requires the services of professionals, such as accountants or attorneys, their fees may be paid with campaign funds as these expenditures are considered to be directly related to a political, legislative, or governmental purpose. (See below for restrictions on salary and compensation.)

### **Real Property**

The committee may not purchase real property. It may, however, lease property for up to one year, so long as its use is directly related to a political, legislative, or governmental purpose. The candidate, officeholder, committee treasurer, any individual with authority to approve the committee's expenditures, or an immediate family member of any of these persons may not be a lessee or sublessor, or hold legal title to the leased property.

### **Refunding Contributions**

The return of contributions to contributors is permitted.

## Returning Contributions Lacking Contributor Information

When a contribution of \$100 or more is received in a calendar year from a single contributor, the committee must disclose the contributor's name and address, and, if the contributor is an individual, his or her occupation and employer. If the committee does not have this information in its records within 60 days of receipt of the contribution, it must be returned to the contributor. (See Chapter 2.)

## Salary and Compensation

The candidate or officeholder, or any individual authorized to approve the committee's expenditures, may not receive a salary or other compensation from the committee for the performance of political, legislative, or governmental activities. The committee may pay for professional services such as an accountant, however, even if the accountant has authority to sign committee checks.

A spouse or domestic partner of an elected officer or a candidate for elective office may not receive, in exchange for any services rendered, compensation from campaign funds held by a controlled committee of the officer or candidate.

## Security Systems

A candidate may use campaign funds to purchase an electronic security system. To do so, the candidate must have received threats to his or her physical safety because of his or her status as a candidate or elected official and the incidents must be verified by an appropriate law enforcement agency. No more than \$5,000 may be spent and a report to the FPPC is required.

## Tickets for Entertainment and Sporting Events

Campaign funds may not be used to purchase entertainment and sporting event tickets for use by the candidate or officeholder, or staff of the committee, unless attendance at the event is directly related to a political, legislative, or governmental purpose.

**Ex 5.8** - Paula Greene, a member of Supervisor Howard's staff, is also the treasurer of the Supervisor's campaign committee. Ms. Greene does all recordkeeping for the committee and completes the committee's campaign reports. She also has authority to approve committee expenditures. Campaign funds may be used to pay Ms. Greene for services she provides as committee treasurer. Funds may not be used to supplement or pay her government salary.

**Ex 5.9** - Candidates for the office of mayor have been offered the chance to speak during half-time at the local college football game. Campaign funds may be used to purchase tickets for the candidates and committee staff to attend, but only because they will be speaking.

## Tickets to Political Fundraisers

A committee may purchase tickets to political fundraisers (subject to any applicable contribution limits) for the candidate, officeholder, or his or her immediate family, or an officer, director, employee, or staff of the committee or the officeholder's governmental agency.

## Travel

A committee may use campaign funds to pay for travel or accommodations for the candidate or officeholder, any individual with authority to approve the committee's expenditures, or staff of the committee so long as the standards set by Internal Revenue Code Sections 162 and 274 (deduction of travel expenses for tax purposes) are complied with. Contact the Internal Revenue Service at (800) 829-1040 for more information. When a candidate controlled committee reports itemized expenditures for gifts, meals, or travel, specific details must be included as described in Chapter 8.

## Airline Mileage Programs

Some airlines have mileage programs that allow individuals to earn free tickets or other awards. These mileage credits and awards belong to the individual traveler, not the committee. The committee is not required to report either the receipt of the mileage credit awards or the redemption of the credits.

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## B. Surplus Funds

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There are restrictions on how campaign funds held by an elected officeholder or candidate may be spent once the funds become "surplus." Surplus funds may not be used for a future election. See Chapter 11 for information about all requirements that must be met in order to use leftover campaign funds for a future election before the funds become surplus.

Campaign funds held by an officeholder become surplus on the 90th day after the officeholder leaves the office for which the funds were raised, or on the 90th day after the end of the postelection reporting period following his or her defeat, whichever occurs last. Campaign

funds held by a non-incumbent defeated candidate become surplus on the 90th day after the postelection reporting period following the election. The end of the postelection reporting period is June 30 for elections held during the first six months of the calendar year and December 31 for elections held during the last six months of the calendar year.

**Surplus funds may only be used to make the following expenditures:**

- Payments for outstanding campaign debts or officeholder expenses.
- Refunds to contributors.
- Donations to a bona fide charitable, educational, civic, religious, or similar tax-exempt, nonprofit organization, provided no substantial part of the proceeds will have a material financial effect on the candidate, on any member of the candidate's immediate family (spouse or registered domestic partner and children), or the campaign treasurer.
- Contributions to a political party committee, so long as the funds are not used to make contributions in support of or opposition to a candidate for elective office. (The funds must be used for the party's or committee's overhead expenses.)
- Contributions to support or oppose any candidate for federal office, any candidate for elective office in a state other than California, or any ballot measure.
- Payments for professional services or attorneys' fees for litigation that arises out of campaign or election activities.
- Payment for an electronic security system. Contact the FPPC for information about specific requirements that must be met.

## Answering Your Questions

**A. Are there private firms that provide treasurer or campaign reporting services?**

Yes. The FPPC does not endorse or recommend any particular private firm. Candidates may find useful information on the websites of the California Political Attorney's Association and the California Political Treasurers Association.

**B. I am a candidate for a local office. It appears that I won't have any problem winning my seat. I would like to return some of my contributions to my contributors. May I do this?**

At any time during the campaign, you may return all or part of a contribution to your contributors.

**C. I am a candidate. I make long-distance phone calls on my home phone to request support from organizations statewide. How may I pay for them?**

When the bill arrives and there are additional charges that can be directly attributed to the campaign activity, the committee should pay for that portion. If the personal charges are not changed by the campaign activity, there is no reporting required.

**D. May I use campaign funds to pay a babysitter for the evenings that I am out campaigning?**

You may use campaign funds to pay a babysitter, but only up to \$200 per event.

**E. As a candidate, I will be using my personal car to get around during the campaign. Is mileage considered a reportable contribution if I do not want to be reimbursed?**

No. Incidental use of your personal car for campaign purposes is not considered a contribution and is not reportable.

**F. May I use campaign funds to have an additional telephone line put in my home?**

Yes, as long as the additional phone line is used for campaign purposes only. If, after the campaign, you choose to retain the additional phone line for personal purposes, you must pay the campaign what it would cost to install an additional line at that time.

**G. Is it permissible to use campaign funds to pay an independent contractor (e.g., the campaign consultant) additional money if I win my election?**

Yes. You may use campaign funds to pay a contractor for fees that are part of the written contract.

**H. May I host a victory party or give bonuses to my campaign workers?**

Yes. In most cases, the bonuses would be considered gifts and would be limited to \$250 per calendar year.

**I. I lost my election and have funds remaining. May I, a non-incumbent, use the leftover funds to run again in two years?**

If you wish to use funds left over from an unsuccessful race for a future election to the same office, file a new Form 501 and amend your existing Form 410 within 90 days after the end of the postelection reporting period. For elections occurring in the first six months of the calendar year, the end of the postelection reporting period is June 30. For elections occurring in the last six months of the calendar year, the end of the postelection reporting period is December 31. If you plan to run for a different office, file a new Form 501, transfer the funds to a new campaign bank account, and file a new Form 410. If the funds become “surplus,” they may not be used for a future election.

## **Authority**

The following Government Code sections and Title 2 regulations provide authority for the information in this chapter:

### **Government Code Sections**

- 82025 Expenditure.
- 82044 Payment.
- 84307.5 Fundraising Payments Made to a Spouse or Domestic Partner.
- 85201 Campaign Bank Account.
- 85501 Prohibition on Independent Expenditures by Candidate Controlled Committees.
- 85700 Donor Information Requirements; Return of Contributions.
- 89511 Campaign Funds Held by Candidates and Committees.
- 89511.5 Use of Personal Funds for Incumbent Elected Officers.
- 89512 Expenditures Associated with Seeking or Holding Office.
- 89513 Use of Campaign Funds for Specific Activities.
- 89514 Use of Campaign Funds for Attorney's Fees.
- 89515 Use of Campaign Funds for Donations and Loans.
- 89516 Use of Campaign Funds for Vehicle Expenses.
- 89517 Use of Campaign Funds for Real Property, Appliances or Equipment.
- 89517.5 Use of Campaign Funds for Security System.
- 89518 Use of Campaign Funds for Compensation.
- 89519 Use of Surplus Campaign Funds.

### **Title 2 Regulations**

- 18526 Reimbursement of Expenditures.
- 18570 Return of Contributions with Insufficient Donor Information.
- 18951 Surplus Funds.
- 18960 Direct Personal Benefit Defined.
- 18961 Incidental Use.

Campaigns reach the voters through political communications including television, radio, and Internet advertising, mailers, billboards, precinct-walking, and flyers. The Political Reform Act (Act) requires that committees report most payments in connection with political communications as direct expenditures, nonmonetary contributions to the campaign, or independent expenditures. As discussed below, however, certain types of communications may not be reportable at all, or may be subject to special reporting requirements. This chapter reviews common communications in a campaign and how payments for the communications are reported.

The Act also requires “paid for by” disclaimers on campaign ads to inform voters who is paying for the communication. Chapter 7 discusses the disclaimer requirements that apply to communications, including mass mailings, made by candidate controlled committees for their own election and communications made by non-controlled committees that are primarily formed to support or oppose a candidate.

## A. Payments for Communications Made by Candidate’s Campaign

In most cases, a candidate’s campaign committee will be funding the bulk of the communications to elect that candidate to office. When a candidate’s campaign committee makes expenditures for communications in furtherance of the candidate’s election, the committee simply reports these direct expenditures. The expenditures are reported on the committee’s Form 460, Schedule E, as described in Chapter 8.

## B. Payments for Communications Made by Others

Generally, when someone other than the candidate or his or her committee pays for a communication that expressly advocates support of the candidate, and the communication is coordinated with or “made at the behest” of the affected candidate, the candidate has received a **nonmonetary contribution** that must be reported by the candidate’s controlled committee.

### Quick Tip

Communications paid for by a candidate’s controlled committee to support the candidate’s own election are direct campaign expenditures, reported on Form 460 Schedule E.

Payments for communications expressly advocating support of or opposition to a candidate, which are not coordinated with or made at the behest of the candidate, are **independent expenditures**, and the affected candidate is not required to report the payments; however, the person making the independent expenditure may have reporting obligations.

Whether a communication is a contribution, an independent expenditure, or some other type of reportable payment depends on several facts, including whether the communication “expressly advocates” support of or opposition to a clearly identified candidate or ballot measure. The information and examples below may be of assistance in making that determination. However, it is impossible to address all of the types of communications in a campaign. If presented with specific facts, FPPC staff may provide assistance.

Communications paid for by a candidate’s controlled committee to support his or her own candidacy, or to oppose his or her opponent, are direct campaign expenditures, not contributions or independent expenditures.

In most cases, communications paid for by a non-candidate controlled committee primarily formed to support or oppose a candidate are considered contributions or independent expenditures.

### 1. Coordinated Communications - Nonmonetary Contributions

When someone other than the candidate or his or her committee pays for a communication that is coordinated with or “made at the behest” of the candidate or his or her committee, the payment for the communication is a nonmonetary contribution to the affected candidate.

#### Coordination – “Made at the Behest”

A payment is coordinated with or “made at the behest” of the candidate or committee under each of the following situations:

- It is made at the request, suggestion, or direction of, or in cooperation, arrangement, consultation, concert, or coordination with the candidate or committee on whose behalf, or whose benefit the expenditure is made.

#### Quick Tip

If a third party pays for communications supporting or opposing the election of a candidate, these may be nonmonetary contributions to the candidate, if coordinated with the candidate, or independent expenditures.

- The candidate or committee has made or participated in making any decision about the content, timing, location, mode, intended audience, volume of distribution, or frequency of placing the communication.
- A creator, producer, or distributor of the communication, or the person paying for the communication has had a discussion with the candidate or committee regarding the content, timing, location, mode, intended audience, volume of distribution, or frequency of placing the communication.

There is a rebuttable presumption that an expenditure is **coordinated** or **“made at the behest”** of a candidate or committee if:

- **Committee’s Needs.** It is based on information about the candidate’s or committee’s campaign needs or plans provided by the candidate or committee to the person making the expenditure, such as information concerning campaign messaging, planned expenditures, or polling data.
- **Agent.** It is made by or through any agent of the candidate or committee in the course of the agent’s involvement in the current campaign. “Current campaign” means the period beginning 12 months prior to the date of the primary or special election in which the candidate is on the ballot for an elective office and ending on the date of the general or special runoff election for that office.
- **Common Consultants.** The person making the expenditure retains the services of a person who provides the candidate or committee with professional services related to campaign or fundraising strategy for the current campaign.
- **Republication.** The communication replicates, reproduces, republishes, or disseminates, in whole or substantial part, a communication, including video footage, designed, produced, paid for, or distributed by the candidate or committee.
- **Fundraising.** The committee making the expenditure is primarily formed to support the candidate or oppose their opponent and in the course of the current campaign, the candidate who benefits from the expenditure solicits funds for or appears as a speaker at a fundraiser for the committee making the expenditure.

**Quick Tip**

When a communication that expressly advocates support of a candidate is paid for by someone other than the candidate or his or her committee, and the communication is “made at the behest” of the affected candidate, the candidate must report the payment as a nonmonetary contribution.

- **Former Staff.** The person making the expenditure is established, run, or staffed in a leadership role, by an individual who previously worked in a senior position or advisory capacity on the candidate's or officeholder's staff within the current campaign.
- **Candidate's Family.** The person making the expenditure is established, run, staffed in a leadership role, or principally funded by an individual who is an immediate family member of the candidate.

However, an expenditure is **not considered to be coordinated** or made at the behest of a candidate or committee based solely on any of the following circumstances:

- **Interview.** A person interviews the candidate on issues affecting the person making the expenditure.
- **Photograph or Press Release.** The person making the expenditure has obtained a photograph, biography, position paper, press release, or similar material from the candidate or the candidate's agents.
- **General Request for Support.** The person makes the expenditure in response to a general, non-specific request for support by a candidate or committee, provided that there is no discussion with the candidate or committee prior to the expenditure relating to details of the expenditure.
- **Meeting with Members or Employees.** The person making the expenditure has invited the candidate or committee representative to make a public appearance before the person's members, employees, shareholders, or their families, provided that there is no discussion with the candidate or committee prior to the expenditure related to details of the expenditure.
- **Prior Contribution.** The person making the expenditure has made a contribution to the candidate or committee.
- **Informed after the Expenditure is Made.** A person informs a candidate or committee that the person has made an expenditure, provided that there is no exchange of information, not otherwise available to the public, relating to details of the expenditure.

- **Expenditure Benefits Another Candidate or Committee.**  
The expenditure is made at the request or suggestion of the candidate or committee for the benefit of another candidate or committee.
- **Hyperlink.** The communication includes a hyperlink to the Internet website or other social media page of a candidate or ballot measure committee.

FPPC Regulation 18225.7, summarized above, specifies when a communication is considered independent versus made at the behest of a candidate or committee. Because the determination is based on specific facts, persons are encouraged to contact the FPPC for guidance.

## 2. Independent Expenditures

An independent expenditure is a payment for a communication that:

- **Expressly advocates** the election or defeat of a **clearly identified candidate** or the qualification, passage or defeat of a clearly identified measure, and
- The communication is **not coordinated** with or “made at the behest” of the affected candidate or committee.

### Clearly Identified Candidate

A communication clearly identifies a candidate when it uses the candidate’s name, photograph, or status as a candidate or officeholder. If a communication includes a group of candidates and refers to some well-defined characteristic of the group, the candidates are clearly identified even if it does not use specific names.

## Express Advocacy

A communication expressly advocates support of or opposition to a clearly identified candidate under the following scenarios:

- **Magic Words.** The communication uses words such as “vote for,” “elect,” “support,” “cast your ballot,” “vote against,” “defeat,” or “reject.”
- **Unambiguously Urges.** The communication is made within 60 days prior to an election, it refers to a clearly identified candidate, and when taken as a whole, it unambiguously urges a particular result in an election. The message must be susceptible of no reasonable interpretation other than as an appeal to vote for or against a specific candidate.

A committee or person making independent expenditures must be aware that the communication cannot be coordinated with the affected candidate or measure committee. If there is coordination, the payments are reported as contributions.

### Quick Tip

When a communication that expressly advocates support of a candidate is not “made at the behest” of the affected candidate, the payment is considered an independent expenditure and the candidate does not report the payment. The person making the payment may have reporting obligations.

**Ex 6.1** - An individual paid \$4,000 for a newspaper ad stating “Vote for Autumn Gomez.” The communication expressly advocates support for a clearly identified candidate and must be reported either as a contribution if it was made at the candidate’s behest or as an independent expenditure if it was not made at the candidate’s behest.

Later, the same individual paid \$2,000 for post card-sized flyers that simply stated, “Vote on Election Day.” This communication is not reported as a contribution or independent expenditure because it did not expressly advocate support of or opposition to a candidate or measure.

**Ex 6.2** - Friends of Gomez, a non-candidate controlled committee primarily formed to support Autumn Gomez’s candidacy, printed campaign literature stating, “Vote for Autumn Gomez.” The communication included a copy of a photograph the committee obtained from the public information counter at Ms. Gomez’s campaign headquarters. Ms. Gomez did not in any way coordinate with the committee in producing the campaign literature. Therefore, the committee made an independent expenditure, not a contribution to Ms. Gomez’s campaign.

On the other hand, if the committee contacted Ms. Gomez and arranged for a professional photographer to meet with her for the purpose of taking photographs for the mailer, the committee would be making a nonmonetary contribution to her campaign.

**Ex 6.3** - During Curt Anthony's campaign, two newspaper advertisements supporting Mr. Anthony were published without his knowledge or consent. Since the payments for these communications were not coordinated with him or made at his behest, they were independent expenditures by the person(s) funding the ads and were not reportable by Mr. Anthony's campaign. The person(s) who paid for the ads may have a filing obligation.

## C. Other Communications

### Endorsements

An endorsement of a candidate may become a contribution or an independent expenditure when a payment is made in connection with the endorsement.

Frequently, a candidate will publish his or her endorsement by another official. As long as the communication does not advocate the election of the endorsing official (or the defeat of that official's opponent), a payment made to communicate the endorsement is not a contribution to the endorsing candidate or official, even though the endorsement was made at the behest of both individuals.

If a candidate pays for a communication supporting his or her own candidacy that also supports or opposes a ballot measure, the payment is not a contribution or independent expenditure made in connection with the ballot measure.

If a candidate pays for a communication that supports another candidate, and the payment is not made at the behest of the endorsed candidate, the payment is not considered to be an independent expenditure if: (1) the candidate paying for the communication also is included in the communication; (2) the non-paying candidate is listed on the same ballot as the paying candidate; and (3) the communication is targeted only to potential voters in the paying candidate's district.

**Ex 6.4** - The president of a police officers' association announces at its annual meeting that the association endorses John Law for county sheriff. Merely making an oral endorsement is not a contribution to or independent expenditure for John Law.

Closer to the election, at the request of candidate John Law, the association mails a special flyer to the voters announcing its endorsement of him. Since the mailing was made at the behest of the candidate, the association has now made a nonmonetary contribution to John Law.

**Ex 6.5** - A city council candidate paid for a mailing which quoted the mayor's verbal endorsement of his candidacy. Although the mayor was also on the ballot, the flyer was not a contribution to the mayor.

**Ex 6.6** - Emmelyn Chin, a city council member running for reelection, sent out a flyer to registered voters in her district asking them to support her candidacy. The flyer also encouraged the voters to vote for Lorraine Sweet for Governor, although this endorsement was not made at Ms. Sweet's behest. Because the gubernatorial election and city council election would appear on the same ballot for those living in Ms. Chin's district (and the flyer was sent only to voters in that district), the payment for the flyer is not an independent expenditure.

## Social Media – Internet Communications

**Paid Advertisements on the Internet.** A paid advertisement that a candidate or committee places on the Internet is reportable under the Act. A candidate or committee that pays to place a communication on another person's website must report the expenditure on a campaign statement. Similarly, a candidate must report a payment to purchase e-mail addresses or any payment for general or public advertisements on Internet sites.

**Uncompensated Individuals' Internet Activity.** When an individual who is not compensated by a candidate or committee sends communications over the Internet (e.g., e-mails, social networking, blogging, website postings, and hyperlinks) that support or oppose a candidate or measure, these activities do not constitute reportable contributions or expenditures. Regulation 18215.2 creates a "safe harbor" for uncompensated individuals' political activity on the Internet.

**Paid Blogger.** The safe harbor for an individual's uncompensated Internet activity does not apply to a blogger a committee pays to support or oppose a candidate or measure. The committee must report payments to that individual. The safe harbor also does not apply to a blogger who receives a majority of his or her advertisement revenue from a single candidate or committee because he or she is not considered to be providing uncompensated personal services.

## D. Non-Contributions

There are some communications that are not considered to be contributions to the candidate or the candidate's controlled committee.

### Quick Tip

See Chapter 7 for the disclaimer and sender identification requirements for mass mailings sent by a candidate-controlled committee or a committee primarily formed to support or oppose a candidate.

**Ex 6.7** - John is running for State Assembly and his neighbor George posts his support for John's candidacy on Facebook. In his Facebook post, George includes a picture of John that he got from John's website. The communication is not reportable because George was not paid for his Facebook post.

**Ex 6.8** - Camille is running for local office and she pays Julia to post a message on Julia's blog supporting Camille's candidacy. Camille's committee must report the payment as an expenditure on the Form 460.

## Debates

If a nonpartisan organization hosts a debate or other forum and invites at least two opposing candidates, a payment for the event is not a contribution to the candidates.

Similarly, a payment for a debate or forum sponsored by a political party or a committee affiliated with a political party is not a contribution if a majority of the candidates for the party's nomination are invited to participate.

## Meetings

A payment made by a bona fide service, social, business, trade, union, or professional organization for reasonable overhead expenses associated with a regularly-scheduled meeting at which a candidate speaks is not a contribution if the organization pays no additional costs in connection with the speaker's attendance.

## Non-Political Communications

A payment made at the behest of a candidate for a communication by the candidate or any other person is not a contribution to the candidate if the communication:

- Does not contain express advocacy;
- Does not refer to the candidate's election campaign, or his or her opponent's qualifications for office; and
- Does not solicit contributions to the candidate or to third persons for use in support of or opposition to the candidate.

**Ex 6.9** - The League of Women Voters invited all candidates for city council to speak at a forum. Only one candidate attended, but since at least two candidates running for the same office were invited, the cost of the forum is not a contribution to the candidate who attended.

**Ex 6.10** - At a union's regularly-scheduled monthly meeting, one candidate was invited to solicit votes. The union did not incur any additional costs in connection with the speaker's presentation, so no contribution was made.

## Member Communications

Payments made by an organization or its sponsored committee for a communication that supports or opposes a candidate are not contributions or expenditures as long as the communication is made only to the organization's members, employees, or shareholders, or the families of its members, employees, or shareholders.

The payments may not be for general public advertising, such as billboards, newspaper ads, or radio or television ads. If the organization's sponsored committee makes the payments, the committee would report the payments as being made for general member communications.

Payments made by a political party for a communication that supports a candidate are not contributions to the candidate as long as the communication is distributed only to the party's members, employees, and families of its members and employees. The party must report the payments, however, as if they were contributions or independent expenditures.

## News Stories

A payment for the cost of publishing or broadcasting a news story, commentary, or editorial is not a contribution when the payment is made by a federally regulated broadcast outlet or a regularly published newspaper, magazine or other periodical of general circulation that routinely carries news, articles, and commentary of general interest.

## Voter Registration

A payment made at the behest of a candidate as part of voter registration or get-out-the-vote activities is not a contribution if the communication does not expressly advocate support of or opposition to the candidate.

## Voting Records

An entity may publish the voting records of public officials. As long as only the voting records are published, the communication is not considered a contribution or an independent expenditure.

**Ex 6.11** - Your campaign consultant asks a labor organization to send a mailing supporting your election. The mailing will be sent only to the organization's membership. The mailing is not a contribution to you. Later, the campaign consultant asks the organization to send the mailing to all registered voters in your district. The mailing to the voters is a contribution to you.

**Ex 6.12** - The Green Party pays for a mailing supporting your candidacy to all of its members five days before your election. The cost of the mailing exceeds \$1,000. The Party must file a Form 497 (24-hour Contribution Report). You are not required to disclose the mailing as a contribution.

**Ex 6.13** - At the behest of an elected official, an organization paid for a voter registration booth at a local fair. No other literature was distributed at the booth. The payment for the voter registration booth was not a contribution to the official.

## Answering Your Questions

- A. A labor union pays for a mailing advocating the election of a candidate for city council. The mailing list includes both union members and non-union members and 20% of the mailing costs are attributed to non-union members. Must the candidate report the full cost of the mailing as a non-monetary contribution?**

No. The candidate may pro-rate the cost and report as a nonmonetary contribution only the mailing costs for the non-union members.

- B. A representative of an environmental organization interviewed a candidate for county supervisor about issues affecting the environment. Later, the candidate learned that the organization paid for a radio advertisement advocating the election of that candidate. Must the candidate report a nonmonetary contribution?**

No. An expenditure is not made at the behest of a candidate just because a person interviews the candidate on issues affecting the person making the expenditure. As long as the candidate did not coordinate with the organization to produce the advertisement in any other way, the organization made an independent expenditure, not a contribution to the candidate.

- C. I was elected to the city council in November. May I assist an independent expenditure committee that supported my candidacy in retiring its debt now that the election is over?**

No. An "independent expenditure" is made without the coordination, cooperation, or consultation of the candidate. If you assist the committee, the expenditures are not considered independent.

**D. I am a law enforcement officer running for city council. Is it permissible to wear my law enforcement uniform in my campaign literature?**

The Political Reform Act does not contain restrictions related to a candidate wearing a law enforcement uniform; however, other laws may apply. Candidates should contact the District Attorney or City Attorney.

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### **Authority**

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The following Government Code sections and Title 2 regulations provide authority for the information in this chapter:

#### **Government Code Sections**

- 82015 Contribution.
- 82025 Expenditure.
- 82031 Independent Expenditure.
- 82044 Payment.
- 82047 Person.
- 84211 Contents of Campaign Statement.
- 84310 Identification Requirements for Telephone Calls.
- 84503 Advertisement for or Against Ballot Measures.
- 84506 Independent Expenditures; Advertisements.
- 85312 Communications to Members of an Organization.

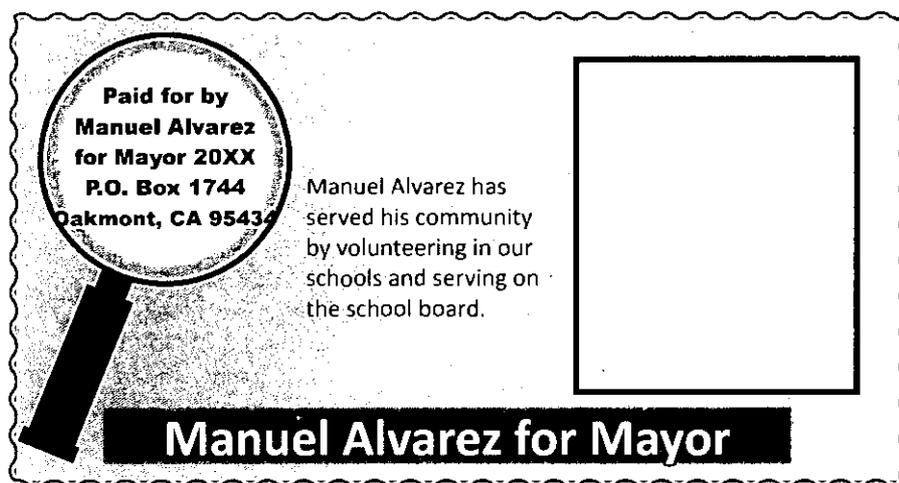
#### **Title 2 Regulations**

- 18215 Contribution.
- 18215.2 Uncompensated Internet Activity by Individuals that is not a Contribution or Expenditure.
- 18225 Expenditure.
- 18225.7 Made At the Behest of.
- 18450.1 Definitions. Advertisement Disclosure.
- 18531.7 Payments for Communications – Section 85312.

# ● ADVERTISEMENT DISCLAIMERS

This chapter describes the disclaimers required by the Political Reform Act (Act) on mass mailings and other advertisements made by candidate controlled committees and committees primarily formed to support or oppose a candidate. A disclaimer is the portion of a political message that identifies the person or entity who paid for or authorized the communication. The basic disclaimer for most communications is “paid for by [committee name].” The disclaimer ensures that the committee paying for the ad is identified. The Act does not regulate the truth or accuracy of political communications given that the First Amendment provides broad protection for political speech.

## Disclaimer Example:



## A. Which Communications Require an Ad Disclaimer?

### Candidate Controlled Committees

Under the Act, a candidate controlled committee must include a disclaimer on mass mailings and certain telephone calls advocating the candidate’s own election. In addition, radio and television advertisements require a “paid for by” disclaimer or sponsor identification under Federal Communications Commission (FCC) rules. The Act does not require a specific disclaimer on other communications, such as billboards and yard signs, when they are paid for by a candidate controlled committee in support of the

candidate's own campaign. However the FPPC recommends placing "paid for by [committee name]" and the committee's ID number on all public campaign materials.

### **Primarily Formed Committees Making Independent Expenditures**

Under the Act, committees that are primarily formed to support or oppose a candidate must include a disclaimer on the following communications:

- Mass mailings, including e-mails
- Paid telephone calls
- Radio ads
- Television ads
- Electronic media ads
- Newspaper ads
- Billboards
- Yard signs
- Door hangers
- Flyers
- Posters

#### **Quick Tip**

Check with your local elections office for rules on the placement of campaign signs and any local advertisement disclaimer rules. Also check the rules on placing temporary political signs in California's Outdoor Advertising Act Sec. 5405.3, on the Department of Transportation's website.

### **Advertisement Disclaimer Exceptions**

Generally, a disclaimer is not required on the following advertisements:

- Regular-size campaign buttons and bumper stickers, pins, or magnets
- Pens, pencils, rulers, mugs, potholders, key tags, golf balls and similar small campaign promotional items where a disclaimer cannot be conveniently printed
- T-shirts, caps, hats, and other articles of clothing

- Skywriting and airplane banners
- Committee checks and receipts

## B. How Must the Disclaimer Appear?

Disclaimers on political ads must be clear and conspicuous so they may be easily understood by the public. Written disclaimers must be printed clearly and legibly. Spoken disclaimers must be clearly audible and intelligible. Disclaimers must also be written or spoken in the same language used in the advertisement. The charts on the following pages specify requirements for color contrast, print font size, and the amount of time the disclaimer is required to appear on screen.

## C. Advertisement Disclaimers for Communications by Candidate Committees for their own Election

The disclaimer on a communication made by a candidate's committee for his or her own election must include "paid for by [committee name]," unless otherwise noted in the chart below.

Communication	Manner of Display
<p><b>All mass mailings</b> - more than 200 sent within a calendar month (including emails and faxes)</p>	<ul style="list-style-type: none"> <li>• Candidate's committee name/address (as on file with Form 410) on outside of mailing (if no Form 410 on file, use candidate name/address)</li> <li>• Only committee name (no address) required on electronic messages</li> <li>• "Paid for by" must be in the same color and size as the name/address and immediately in front of or above the name/address</li> <li>• If sent by more than one candidate/committee:               <ul style="list-style-type: none"> <li>◦ Also on at least one insert in the mailing</li> </ul> </li> <li>• No less than 6 point type/contrasting print color</li> <li>• Return envelopes (if included in solicitation) – committee's name, address and ID number are recommended but not required</li> </ul>

<p><b>Telephone calls advocating candidate's own election</b> (500 or more) - made by:</p> <ul style="list-style-type: none"> <li>• Vendors ("robo" calls) or</li> <li>• Paid individuals other than the candidate, campaign manager or volunteers</li> </ul>	<ul style="list-style-type: none"> <li>• Any time during the message</li> <li>• Must identify the candidate that paid for the call or an organization authorizing the call that files campaign reports</li> <li>• Must state that the call is "paid for by" or "authorized by" the identified candidate or organization</li> </ul> <p><i>Examples: This call was paid for by City Council Member Jones; This call was authorized by (name of committee)</i></p> <ul style="list-style-type: none"> <li>• No ID required on telephone calls personally dialed by candidate, campaign manager or volunteers</li> </ul>
<p><b>The Political Reform Act does not require a specific disclaimer on the following communications paid for by a candidate's campaign committee in support of his or her own campaign, although the FPPC recommends placing "paid for by committee name" and the committee ID number on all public campaign materials.</b></p>	
<p><b>Newspaper, radio and television ads</b></p>	<ul style="list-style-type: none"> <li>• Radio and television advertisements require "paid for by" or sponsor identification under FCC rules</li> <li>• Check the Elections Code for newspaper ad requirements</li> </ul>
<p><b>Electronic media</b> (Websites, blogs, Twitter feeds, faxes, social media pages - e.g., Facebook)</p>	<ul style="list-style-type: none"> <li>• "Paid for by committee name" and committee ID number are recommended but not legally required</li> </ul>
<p><b>Billboards, yard signs, business cards, door hangers, flyers, and posters</b></p>	<ul style="list-style-type: none"> <li>• "Paid for by committee name" and committee ID number are recommended but not legally required</li> </ul>

## D. Advertisement Disclaimers for Independent Expenditure Ads Made by Committees Primarily Formed to Support or Oppose a Candidate

When a committee primarily formed to support or oppose a candidate pays for an advertisement that is an independent expenditure, the advertisement disclaimer must include all of the following, unless otherwise noted:

- “Paid for by [committee name]”;
- A list of the committee’s top two donors of \$50,000 or more during the 12-month period prior to the expenditure, if any; and
- The following statement: “This advertisement was not authorized or paid for by a candidate for this office or a committee controlled by a candidate for this office.”

Communication	Manner Display
All mass mailings - more than 200 sent within a calendar month (see note)	<ul style="list-style-type: none"> <li>• <b>Committee name/address</b> (on file with Form 410 or 461) on outside of mailing in no less than 14-point, bold, sans serif type</li> <li>• “Paid for by” must be in the same color and size as the name/address and immediately in front of or above the name/address</li> <li>• <b>IE disclaimer in box.</b> The required statement (“[t]his advertisement was not authorized or paid for by a candidate for this office or a committee controlled by a candidate for this office”) must be located one quarter of an inch from the recipient’s name and address in a box. The box’s outline must have a 3.25 line weight. So the statement is clearly readable, contrasting colors must be used for the background of the ad and the box outline, text and background</li> </ul>
Telephone calls - more than 200 made by vendors (“robo” calls) or paid individuals	<ul style="list-style-type: none"> <li>• Disclaimer must state that the call is “paid for by” committee name</li> <li>• Must be at least 3 seconds either at the beginning or end of the call</li> </ul>
Radio	<ul style="list-style-type: none"> <li>• Must be at least 3 seconds either at the beginning or end of the ad</li> </ul>
Television	<ul style="list-style-type: none"> <li>• Both written and spoken at the beginning or end of ad</li> <li>• Not less than 4 seconds</li> <li>• Size and contrasting color must be legible to average viewer</li> <li>• <u>Exception</u> - no spoken disclosure required if written statement is shown for at least 5 seconds on a 30 second broadcast or 10 seconds on a 60 second broadcast</li> </ul>

<p><b>Electronic Media</b></p> <ol style="list-style-type: none"> <li>1. <b>Websites, blast e-mails and Facebook posts</b></li> <li>2. <b>Ads of limited size</b> (micro bar, button ad, ads limited to 500 characters or less)</li> <li>3. <b>SMS texts</b></li> <li>4. <b>Electronic ads sent in an audio format</b></li> <li>5. <b>Electronic ads sent in a video format</b></li> </ol>	<ol style="list-style-type: none"> <li>1. Disclaimer statement must be in the same font size as majority of text and displayed conspicuously near the ad</li> <li>2. Ad must provide disclaimer via rollover, link, or other connection to website with the disclaimer</li> <li>3. Include the committee ID number and if technically possible link to the committee's campaign statement on Secretary of State's website</li> <li>4. Same requirements as for radio ads above</li> <li>5. Same requirements as for television ads above</li> </ol>
<p><b>Newspaper Ads</b></p>	<ul style="list-style-type: none"> <li>• 14-point, bold, sans serif type in contrasting color</li> <li>• Also check the Elections Code</li> </ul>
<p><b>A Billboard Yard Signs (more than 200)</b></p>	<ul style="list-style-type: none"> <li>• 5% of height of advertisement in contrasting color</li> </ul>
<p><b>Door hangers, flyers, posters, and oversized campaign buttons and bumper stickers</b> (buttons 10" across or larger and stickers 60 sq inches or larger) (all more than 200)</p>	<ul style="list-style-type: none"> <li>• 14-point, bold, sans serif type in contrasting color</li> </ul>

**Note:** Two display rules exist for mass mailings paid for by an independent expenditure. A mass mailing must have the committee name and address on the outside of an envelope in 6-point type; while the manner of display for the ad disclaimer requires the committee name in no less than 14-point, bold, sans serif type. A one-page mailer may combine the display rules with both the committee name and address in no less than 14-point, bold, sans serif type although the address may be at 6-point type.

**Disclaimer Example:**

**Paid For By Public Safety Workers and Educators to Re-Elect Supervisor Woods 20XX,  
Major Funding by International Workers Association  
P.O. Box 505  
Sacramento, CA 95825**



**This advertisement was not authorized or paid for by a candidate for this office or a committee controlled by a candidate for this office.**

Jayne Brown  
4225 Main Street  
Ione, CA 95640

# Jason Woods has our back in Sacramento



**Fighting to Restore Public Safety**

**Working to Expand Quality Early Education Programs**

**Working Across Party Lines to Achieve Results**



## **E. Mass Mailings – E-Mails and Postal Mailings**

A “mass mailing” is made when more than 200 substantially similar pieces of mail have been sent within a calendar month. A mass mailing also includes more than 200 substantially similar messages distributed to the public within a calendar month through electronic mail (“e-mail”). Solicitation letters, notices of fundraising events, newsletters sent by the candidate or committee, and other types of campaign literature are common types of mass mailings.

**Quick Tip**

The committee ID number is not required to be included on mass mailings, but the FPPC recommends that committees include the committee name and ID number on all public campaign materials.

## E-Mail Disclaimers

E-mails must include the committee's name and the words "paid for by" immediately adjacent to and above, or immediately adjacent to and in front of, the required identification. The disclaimer must be in no less than 6-point type and in a color that contrasts with the background (Example: no light blue disclaimers on a blue background).

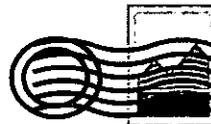
From: Rreynolds@yahoo.com  
To: Voter1@gmail.com  
Cc:  
Subject: Reynolds for City Council 20XX

Don't forget to vote for Reynolds on Tuesday! This message was paid for by Reynolds for City Council 20XX.

## Postal Mailing Disclaimers

A mass mailing sent by a candidate controlled committee must include the words "paid for by" immediately adjacent to and above, or immediately adjacent to and in front of, the name and address of the committee on the outside of each piece of postal mail. The disclaimer must be in no less than 6-point type and in a color that contrasts with the background (Example: no light blue disclaimers on a blue background). A post office box may be used as the address only if the committee's street address is on its Statement of Organization (Form 410) on file with the Secretary of State.

Paid For By  
Roxie Reynolds for City Council 20XX  
1615 Skate Street  
Torrance, CA 90503



Jordan Cooper  
315 S. Fairfield Street  
Torrance, CA 90503

## Mailings Sent by More than One Candidate Controlled Committee

A mass mailing sent by more than one candidate controlled committee must include the words “paid for by” immediately adjacent to and above, or immediately adjacent to and in front of, the name and address of the committee that is paying the greatest share of the mass mailing including costs for designing, printing, and postage. This disclaimer must appear on the outside of each piece of mail. If two or more committees pay equally for the mailer, the name and address of at least one of the committees must be shown on the outside and the names and addresses of all committees must appear on at least one insert. The disclaimer must be in no less than 6-point type and in a color that contrasts with the background (Example: no light blue disclaimers on a blue background). A post office box may be used as the address only if the committee’s street address is on its Statement of Organization (Form 410) on file with the Secretary of State.

### Quick Tip

If two or more candidate controlled committees pay equally for a mass mailing, the names and addresses of each of the committees must appear on at least one insert.

## Committees Primarily Formed to Support or Oppose a Candidate

A mass mailing paid for by a primarily formed committee as an **independent expenditure** supporting or opposing a candidate must include the words “paid for by” immediately adjacent to and above, or immediately adjacent to and in front of, the name and address of the committee. It must also include the following statement: “This advertisement was not authorized or paid for by a candidate for this office or a committee controlled by a candidate for this office.”

Two display rules exist for mass mailings paid for by an independent expenditure. The committee name must appear in no less than 14-point, bold, sans serif type, but the address required on the outside of the envelope may appear in 6-point type. For a one-page mailer, committees may combine the display rules and use 14-point, bold, sans serif type for both the committee name and address even though the address may be displayed in 6-point type.

The disclaimer must also list the committee’s top two contributors of \$50,000 or more during the 12-month period prior to the expenditure, if any. If the committee can show that contributions received from the two highest contributors have been used for expenditures unrelated to the candidate featured in the communication, the committee may disclose the contributors making the next largest cumulative contributions of \$50,000 or more.

### Quick Tip

A mass mailing paid for by an independent expenditure must include a statement that the mailing was not authorized by a candidate or a committee controlled by a candidate.

## Recordkeeping for Mass Mailings

For each mass mailing, the following information must be retained in the committee's records for a period of four years:

- A sample of the mailing;
- A record of the date of the mailing;
- The number of pieces sent; and
- The method of postage used.

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## F. Telephone Calls

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### Calls Made by Candidate Controlled Committees for their own Election

If a candidate controlled committee pays for **500 or more** similar telephone calls made by vendors ("robo" calls) or paid individuals advocating the candidate's own election, the name of the organization that authorized the call must be disclosed to the recipient of the call. If the organization authorizing the call does not have filing obligations under the Act, the name of the candidate that paid for the call must be disclosed to recipients. The disclosure must include the words "paid for by" or "authorized by." The disclaimer is not required for telephone calls personally dialed by the candidate, campaign manager, or volunteers.

### Calls Made by Committees Primarily Formed to Support or Oppose a Candidate

If a primarily formed committee pays for **more than 200** similar telephone calls that expressly advocate support for or opposition to a candidate, the name of the committee must be disclosed to recipients. The disclosure must include the words "paid for by" or "authorized by." If the call is an independent expenditure, the disclaimer must also include the following statement: "This advertisement was not authorized or paid for by a candidate for this office or a committee controlled by a candidate for this office." The disclaimer must also include the committee's top two contributors of \$50,000 or more during the 12-month period prior to the expenditure, if any.

#### Quick Tip

Anonymous robocalls are a violation of the Act. Committees are prohibited from contracting with a vendor for political calls that does not disclose who paid for or authorized the calls.

**Ex 7.1** - City Councilmember Reitz pays a vendor to make calls to 1,500 local voters to encourage them to reelect her to the city council. The disclaimer must state that the telephone calls were paid for by the candidate's committee. For example, "[t]his call was paid for by Reelect City Councilmember Reitz 20XX."

**Ex 7.2** - At City Councilmember Reitz's request, Citizens for Better Schools (a general purpose committee) pays a vendor to make calls to 1,500 local voters to encourage them to reelect Councilmember Reitz to the city council. The disclaimer must identify the committee paying for the call or the candidate authorizing the call. For example, "[t]his call was paid for by Citizens for Better Schools" or "[t]his call was authorized by Councilmember Reitz."

### **Recordkeeping for Telephone Calls**

A committee must retain for a period of four years the following records for each telephone call:

- If the message was live, a script of the call.
- If the message was recorded, a copy of the recording.

### **G. Electronic Media Ads**

The Act does not require a specific disclaimer on electronic media ads, including websites, Internet ads, and mobile ads paid for by a candidate's committee for his or her own election. However, the FPPC recommends placing "paid for by [committee name]" and the committee ID number on all public campaign materials.

Committees primarily formed to support or oppose a candidate making independent expenditures for electronic media ads are subject to the "paid for by [committee name]" requirement and additional disclaimer requirements as described in the chart earlier in this chapter. In general, the required disclaimer must be displayed in full. For example, a Facebook post must include the full disclaimer.

An abbreviated disclaimer may be used in electronic media messages only if it is impracticable or extremely difficult to include the full disclaimer information (such as severe size, space, or character-limits constraints) and when other methods of displaying the information (such as a rollover display or click through to a webpage with disclosure information) are not available. For example, an abbreviated disclaimer may be used if a campaign sends blast text messages to voters.

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## **H. Newspaper, Radio and Television Ads**

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The Act does not require a specific disclaimer on newspaper, radio, and television ads paid for by a candidate's committee for his or her own election. However, the FCC requires that radio and television ads include "paid for by" or sponsor identification. Committees primarily formed to support or oppose a candidate making independent expenditures for a newspaper, radio, or television ad to support or oppose a candidate are subject to the "paid for by [committee name]" disclaimer and other requirements as described in the chart earlier in this chapter. For newspaper ad requirements, candidates and committees should also check the Elections Code.

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## **I. Paid Spokespersons for Ballot Measure Ads**

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Generally, candidate controlled committees and primarily formed committees spend campaign funds only in connection with the candidate's election. However, there may be times when a committee wants to pay for an advertisement to support or oppose a ballot measure.

The Act requires specific disclosure when any committee uses a paid spokesperson in an advertisement to support or oppose a ballot measure. The committee must (1) file a Paid Spokesperson Report, Form 511, for an individual's appearance in a ballot measure advertisement and (2) include a disclaimer on the ad in the following situations.

**\$5,000 payment to an individual in an ad:** The committee makes expenditures totaling \$5,000 or more for an individual's appearance in an advertisement to support or oppose the qualification, passage or defeat of a state or local ballot measure.

**Disclaimer on ad:** "(Spokesperson's name) is being paid by this campaign or its donors."

**Any payment to an individual in an ad portraying a professional (nurse, doctor, firefighter, scientist, engineer, lawyer, etc.):** The committee makes expenditures of any amount to an individual for his or her appearance in an ad supporting or opposing the qualification, passage or defeat of a state or local ballot measure that states or suggests that the individual is a member of an occupation that requires licensure, certification, or other specialized, documented training to engage in that occupation.

**Disclaimer on ad:** "Persons portraying members of an occupation in this advertisement are compensated spokespersons not necessarily employed in those occupations."

**Note:** If the individual in the ad is actually a member of the occupation portrayed, the committee may omit this disclaimer, and shall maintain documentation of the individual's license or certification for the occupation. Upon request from the FPPC, the committee must provide documentation of an individual's occupation by electronic means within 24 hours.

The advertisements include print, television, and radio ads, as well as telephone messages. The disclaimers on the ads must be shown in highly visible font for print or television ads, or spoken in a clearly audible manner for radio ads or telephone messages.

**Quick Tip**

If the committee pays for a spokesperson in an advertisement to support or oppose a ballot measure, the committee may also be required to file the Form 511 (Paid Spokesperson Report). See Chapter 10.

## J. Updating a Disclaimer

Advertisement disclaimers must be revised if a committee's name changes or there is a new \$50,000 donor. Television, radio, electronic media, or "robo" calls must be amended within five calendar days.

Print media, mass mailings, or other tangible items must be amended every time an order to reproduce is placed.

## K. Penalties

Failure to comply with the Act's disclaimer requirements may result in fines of up to \$5,000 per violation. In addition, any person who violates the disclaimer requirements for ballot measure and independent expenditure advertisements may be liable for fines of up to three times the cost of the advertisement, including placement costs.

### Answering Your Questions

- A. Are the disclaimer rules the same for candidate controlled committees and committees primarily formed for candidates that will be making independent expenditures?**

No. Stricter disclaimer rules apply to independent expenditure advertisements because it is less clear to the public who is responsible for these ads. The Act requires disclaimers on a broader range of advertisements when they are paid for by a committee making independent expenditures. (See the ad disclaimer charts in this chapter for additional information.)

- B. A committee primarily formed for a candidate has agreed to pay for several types of communications (yard signs, a billboard, door hangers) to advocate support of the candidate. The advertisements are prepared by the candidate's campaign consultant. What disclaimers are required, if any?**

The Act does not require a disclaimer for these advertisements since they are not independent expenditures. The primarily formed committee must provide the candidate with the value of the advertisements and both committees must report the amount as a nonmonetary contribution.

- C. If a business entity includes a copy of a candidate's flyer in its regular monthly mailing, is the candidate required to be identified on the outside of the mailer?**

No. The candidate's name and address must be identified on the flyer only.

- D. If a committee has more than one address, can any of the addresses be used on mass mailings?**

Any address that is on the committee's Statement of Organization (Form 410) on file with the Secretary of State may be used.

- E. A committee pays for a candidate's mailing as a nonmonetary contribution. Must the committee paying for the mailing or the candidate's committee be identified on the outside of the mailing?**

The committee that pays for the mailing must be identified on the outside of the mailing.

- F. If a committee is sending a postcard-type mailing, may the name of the committee appear only once?**

Yes. The name must appear only once. The committee's address must also be included.

- G. Where on the outside of the mailing must the candidate or committee identification be placed?**

There is no specific requirement for the location of the sender identification as long as it appears on the outside of the mailing. The words "paid for by" must be immediately adjacent to and above, or immediately adjacent to and in front of, the committee name and address.

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## Authority

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The following Government Code sections and Title 2 regulations provide authority for the information in this chapter:

### Government Code Sections

- 82031 Independent Expenditure.
- 82041.5 Mass Mailing.
- 82044 Payment.
- 82047 Person.
- 84305 Requirements for Mass Mailing.
- 84310 Identification Requirements for Telephone Calls.
- 84506 Independent Expenditures; Advertisements.
- 84511 Ballot Measure Ads; Paid Spokesperson Disclosure.
- 85312 Communications to Members of an Organization.

### Title 2 Regulations

- 18215 Contribution.
- 18225 Expenditure.
- 18225.7 Made At the Behest of.
- 18401 Required Recordkeeping for Chapter 4.
- 18435 Definition of Mass Mailing and Sender.
- 18440 Telephone Advocacy.
- 18450.1 Definitions. Advertisement Disclosure.
- 18450.4 Content of Disclosure Statements. Advertisement Disclosure.
- 18450.5 Amended Advertising Disclosure.
- 18450.11 Spokesperson Disclosure.
- 18523.1 Written Solicitation for Contributions.
- 18531.7 Payments for Communications – Section 85312.

# ● COMMITTEE REPORTS – FORM 460

Generally, candidate controlled committees and committees primarily formed to support or oppose a candidate(s) use the Recipient Committee Campaign Statement (Form 460) to report campaign activity for all semi-annual and preelection statements. The Form 460 is the main campaign disclosure statement and provides the public with an overview of the committee's activity, including money coming in and money going out, during a specified reporting period.

The statement must include all activity during the specified reporting period, even if it was previously reported. For example, a contribution that was already reported on the Form 497 (24-hour Contribution Report) must still be reported on the committee's next Form 460.

A primarily formed committee may file the Form 450 (Committee Campaign Statement – Short Form) instead of the Form 460 if, during the reporting period, the committee:

- Has not received a contribution that must be itemized (a cumulative amount of \$100 or more from a single source);
- Has not received any other payment of \$100 or more (miscellaneous increases to cash);
- Has no outstanding loans made or received; and
- Has no accrued expense (unpaid bills).

A primarily formed committee that has not received any contributions and has not made any expenditures during the six-month period covered by a semi-annual statement may file the Form 425 (Semi-Annual Statement of No Activity).

This chapter discusses how to complete the Form 460 and provides examples for each type of campaign activity that may have to be reported. The Forms 450 and 425 are available on the FPPC's website and include detailed instructions for completing the forms.

### Quick Tip

A committee controlled by a candidate must use the Form 460 to report its campaign activity – the short Form 450 or Form 425 may not be used.

**Recipient Committee  
Campaign Statement  
Cover Page**  
(Government Code Sections 84200-84216.5)

Type or print in ink.

Date Stamp

COVER PAGE

**CALIFORNIA FORM 460**

Page XX of XX  
For Official Use Only

**A** Statement covers period from 7/1/XX through 12/31/XX

**B** Date of election if applicable: (Month, Day, Year)

SEE INSTRUCTIONS ON REVERSE

**1 Type of Recipient Committee:** All Committees - Complete Parts 1, 2, 3, and 4.

Officeholder, Candidate Controlled Committee  
 State Candidate Election Committee  
 Recall (Also Complete Part 5)  
 General Purpose Committee  
 Sponsored  
 Small Contributor Committee  
 Political Party/Central Committee

Primarily Formed Ballot Measure Committee  
 Controlled  
 Sponsored (Also Complete Part 6)  
 Primarily Formed Candidate/Officeholder Committee (Also Complete Part 7)

**2 Type of Statement:**

Preelection Statement  
 Semi-annual Statement  
 Termination Statement (Also file a Form 410 Termination)  
 Amendment (Explain below)

Quarterly Statement  
 Special Odd-Year Report

**3 Committee Information**

I.D. NUMBER: 12344XX

COMMITTEE NAME (OR CANDIDATE'S NAME IF NO COMMITTEE):  
Manuel Alvarez for Mayor 20XX

STREET ADDRESS (NO P.O. BOX):  
225 Presley Street

CITY: Oakmont STATE: CA ZIP CODE: 95443 AREA CODE/PHONE: 707-555-6868

MAILING ADDRESS (IF DIFFERENT) NO. AND STREET OR P.O. BOX:  
P.O. Box 1744

CITY: Oakmont STATE: CA ZIP CODE: 95434 AREA CODE/PHONE: 707-555-6868

OPTIONAL: FAX / E-MAIL ADDRESS:  
707-555-6869/mrichards@oakmontmail.com

**Treasurer(s)**

NAME OF TREASURER:  
Madeline Richards

MAILING ADDRESS:  
225 Presley Street

CITY: Oakmont STATE: CA ZIP CODE: 95443 AREA CODE/PHONE: 707-555-6868

NAME OF ASSISTANT TREASURER, IF ANY:  
Manuel Alvarez

MAILING ADDRESS:  
225 Presley Street

CITY: Oakmont STATE: CA ZIP CODE: 95443 AREA CODE/PHONE: 707-555-6868

OPTIONAL: FAX / E-MAIL ADDRESS:  
707-555-6869/mrichards@oakmontmail.com

**4 Verification**

I have used all reasonable diligence in preparing and reviewing this statement and to the best of my knowledge the information contained herein and in the attached schedules is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on \_\_\_\_\_ [Date Required] \_\_\_\_\_ By \_\_\_\_\_ [Signature Required] \_\_\_\_\_  
Date Signature of Treasurer or Assistant Treasurer

Executed on \_\_\_\_\_ [Date Required] \_\_\_\_\_ By \_\_\_\_\_ [Signature Required] \_\_\_\_\_  
Date Signature of Controlling Officer/holder, Candidate, State Measure Proponent or Responsible Officer of Sponsor

Executed on \_\_\_\_\_ Date \_\_\_\_\_ By \_\_\_\_\_ Signature of Controlling Officer/holder, Candidate, State Measure Proponent

Executed on \_\_\_\_\_ Date \_\_\_\_\_ By \_\_\_\_\_ Signature of Controlling Officer/holder, Candidate, State Measure Proponent

FPPC Form 460 (January 04)  
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)  
State of California

**A. Completing the Form 460 Cover Page**

**A Statement Covers Period**

If this is the first statement of the calendar year, the "from" date should be January 1. Otherwise, this date should be the day after the closing date of the most recently filed campaign statement. The closing date depends on the type of statement being filed (e.g., semi-annual, preelection). The period covered will be identified on the filing schedule for the specific election.

**B Date of Election**

When filing a preelection statement in connection with an election, provide the date of the election.

## **1 Type of Recipient Committee**

Check the appropriate box to indicate the type of committee:

- Officeholder/Candidate Controlled Committee: Complete Cover Page Parts 1, 2, 3, 4, and 5.
- Primarily Formed Candidate/Officeholder Committee: Complete Cover Page Parts 1, 2, 3, 4, and 7.

## **2 Type of Statement**

Check the appropriate box to indicate the type of statement being filed (e.g., semi-annual, preelection).

## **3 Committee Information and Treasurer(s)**

This entire section must be completed and should include the same information as provided on the committee's most recently filed Statement of Organization (Form 410). If the committee has not yet received an identification number from the Secretary of State, enter "pending" in the "I.D. Number" box.

## **4 Verification**

All campaign statements are signed under penalty of perjury and must be verified by the committee treasurer or the assistant treasurer named on the committee's Statement of Organization (Form 410). The verification states that the signer has used all reasonable diligence in its preparation, and that to the best of his or her knowledge, it is true and complete. The Form 460 is not considered filed if it is not signed.

If an officeholder or candidate controls the committee, he or she also must sign the verification. If two or three officeholders or candidates control the committee, each of them must sign the verification. If more than three officeholders or candidates control the committee, one may sign the verification on behalf of the others.

Some local agencies may require local candidates and committees to file campaign statements electronically. The electronic filing system must include a procedure for filers to comply with the requirement that they sign the statements under penalty of perjury.

**Recipient Committee  
Campaign Statement  
Cover Page — Part 2**

Type or print in ink.

COVER PAGE - PART 2

**CALIFORNIA  
FORM 460**

Page XX of XX

<p><b>5 Officeholder or Candidate Controlled Committee</b></p> <p>NAME OF OFFICEHOLDER OR CANDIDATE Manuel Alvarez</p> <p>OFFICE SOUGHT OR HELD (INCLUDE LOCATION AND DISTRICT NUMBER IF APPLICABLE) Mayor, City of Oakmont</p> <p>RESIDENTIAL/BUSINESS ADDRESS (NO. AND STREET) CITY STATE ZIP 4245 McDow Street Oakmont CA 95443</p> <p><b>Related Committees Not Included in this Statement:</b> <i>List any committees not included in this statement that are controlled by you or are primarily formed to receive contributions or make expenditures on behalf of your candidacy.</i></p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">COMMITTEE NAME Friends Supporting Alvarez for Mayor 20XX</td> <td style="width:70%;">I.D. NUMBER 12399XX</td> </tr> <tr> <td>NAME OF TREASURER Karen Lucci</td> <td>CONTROLLED COMMITTEE? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</td> </tr> <tr> <td colspan="2">COMMITTEE ADDRESS STREET ADDRESS (NO P.O. BOX) 10 Main Street</td> </tr> <tr> <td>CITY Oakmont</td> <td>STATE ZIP CODE AREA CODE/PHONE CA 95443 707-111-2222</td> </tr> </table> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">COMMITTEE NAME</td> <td style="width:70%;">I.D. NUMBER</td> </tr> <tr> <td>NAME OF TREASURER</td> <td>CONTROLLED COMMITTEE? <input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td colspan="2">COMMITTEE ADDRESS STREET ADDRESS (NO P.O. BOX)</td> </tr> <tr> <td>CITY</td> <td>STATE ZIP CODE AREA CODE/PHONE</td> </tr> </table>	COMMITTEE NAME Friends Supporting Alvarez for Mayor 20XX	I.D. NUMBER 12399XX	NAME OF TREASURER Karen Lucci	CONTROLLED COMMITTEE? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	COMMITTEE ADDRESS STREET ADDRESS (NO P.O. BOX) 10 Main Street		CITY Oakmont	STATE ZIP CODE AREA CODE/PHONE CA 95443 707-111-2222	COMMITTEE NAME	I.D. NUMBER	NAME OF TREASURER	CONTROLLED COMMITTEE? <input type="checkbox"/> YES <input type="checkbox"/> NO	COMMITTEE ADDRESS STREET ADDRESS (NO P.O. BOX)		CITY	STATE ZIP CODE AREA CODE/PHONE	<p><b>6 Primarily Formed Ballot Measure Committee</b></p> <p>NAME OF BALLOT MEASURE</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">BALLOT NO. OR LETTER</td> <td style="width:40%;">JURISDICTION</td> <td style="width:30%;"><input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE</td> </tr> </table> <p>Identify the controlling officeholder, candidate, or state measure proponent, if any.</p> <p>NAME OF OFFICEHOLDER, CANDIDATE, OR PROPONENT</p> <p>OFFICE SOUGHT OR HELD DISTRICT NO. IF ANY</p>	BALLOT NO. OR LETTER	JURISDICTION	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE
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CITY Oakmont	STATE ZIP CODE AREA CODE/PHONE CA 95443 707-111-2222																			
COMMITTEE NAME	I.D. NUMBER																			
NAME OF TREASURER	CONTROLLED COMMITTEE? <input type="checkbox"/> YES <input type="checkbox"/> NO																			
COMMITTEE ADDRESS STREET ADDRESS (NO P.O. BOX)																				
CITY	STATE ZIP CODE AREA CODE/PHONE																			
BALLOT NO. OR LETTER	JURISDICTION	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE																		
<p><b>7 Primarily Formed Candidate/Officeholder Committee</b> <i>List names of officeholder(s) or candidate(s) for which this committee is primarily formed.</i></p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:40%;">NAME OF OFFICEHOLDER OR CANDIDATE</td> <td style="width:20%;">OFFICE SOUGHT OR HELD</td> <td style="width:40%;"><input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE</td> </tr> <tr> <td>NAME OF OFFICEHOLDER OR CANDIDATE</td> <td>OFFICE SOUGHT OR HELD</td> <td><input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE</td> </tr> <tr> <td>NAME OF OFFICEHOLDER OR CANDIDATE</td> <td>OFFICE SOUGHT OR HELD</td> <td><input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE</td> </tr> <tr> <td>NAME OF OFFICEHOLDER OR CANDIDATE</td> <td>OFFICE SOUGHT OR HELD</td> <td><input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE</td> </tr> </table> <p style="text-align: center;"><i>Attach continuation sheets if necessary</i></p>		NAME OF OFFICEHOLDER OR CANDIDATE	OFFICE SOUGHT OR HELD	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE	NAME OF OFFICEHOLDER OR CANDIDATE	OFFICE SOUGHT OR HELD	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE	NAME OF OFFICEHOLDER OR CANDIDATE	OFFICE SOUGHT OR HELD	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE	NAME OF OFFICEHOLDER OR CANDIDATE	OFFICE SOUGHT OR HELD	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE							
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FPPC Form 460 (January/05)  
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)  
State of California

**B. Completing the Form 460 Cover Page – Part 2**

**5 Officeholder or Candidate Controlled Committee**

Provide the name of the officeholder or candidate controlling the committee and indicate the office sought or held, including the location and district number, if any. If more than one candidate controls the committee, include the required information for all controlling candidates in an attachment.

**Related Committees Not Included in this Statement**

If the officeholder or candidate controls any other committees (i.e., ballot measure committee, legal defense fund committee, another

election committee), those committees must be listed. If the candidate is aware of any primarily formed committees that exist to receive contributions or to make expenditures on behalf of his or her candidacy, those committees must also be listed.

**6 Primarily Formed Ballot Measure Committee**

Candidate controlled committees and primarily formed candidate/officeholder committees do not complete Part 6.

**7 Primarily Formed Candidate/Officeholder Committee**

Provide the name(s) of the officeholder(s) or candidate(s), the office(s) sought or held, and indicate whether the committee is supporting or opposing the officeholder(s) or candidate(s).

**Campaign Disclosure Statement  
Summary Page**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

SUMMARY PAGE

Statement covers period from <u>7/1/XX</u> through <u>12/31/XX</u>	<b>CALIFORNIA FORM 460</b> Page <u>XX</u> of <u>XX</u> I.D. NUMBER 12344XX
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SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER  
Manuel Alvarez for Mayor 20XX

	<b>A</b> Column A TOTAL THIS PERIOD (FROM ATTACHED SCHEDULES)	<b>B</b> Column B CALENDAR YEAR TOTAL TO DATE
<b>1 Contributions Received</b>		
1. Monetary Contributions ..... Schedule A, Line 3	\$ 6,773	\$ 100,000
2. Loans Received ..... Schedule B, Line 3	9,000	11,000
3. SUBTOTAL CASH CONTRIBUTIONS ..... Add Lines 1 + 2	\$ 15,773	\$ 111,000
4. Nonmonetary Contributions ..... Schedule C, Line 3	6,500	6,500
5. TOTAL CONTRIBUTIONS RECEIVED ..... Add Lines 3 + 4	\$ 22,273	\$ 117,500
<b>2 Expenditures Made</b>		
6. Payments Made ..... Schedule E, Line 4	\$ 40,950	\$ 75,750
7. Loans Made ..... Schedule H, Line 3	1,000	1,000
8. SUBTOTAL CASH PAYMENTS ..... Add Lines 6 + 7	\$ 41,950	\$ 76,750
9. Accrued Expenses (Unpaid Bills) ..... Schedule F, Line 3	1,550	3,550
10. Nonmonetary Adjustment ..... Schedule C, Line 3	6,500	6,500
11. TOTAL EXPENDITURES MADE ..... Add Lines 8 + 9 + 10	\$ 50,000	\$ 86,800
<b>3 Current Cash Statement</b>		
12. Beginning Cash Balance ..... Previous Summary Page, Line 16	\$ 39,500	
13. Cash Receipts ..... Column A, Line 3 above	15,773	
14. Miscellaneous Increases to Cash ..... Schedule I, Line 4	3,000	
15. Cash Payments ..... Column A, Line 8 above	41,950	
16. ENDING CASH BALANCE ..... Add Lines 12 + 13 + 14, then subtract Line 15	\$ 16,323	
<i>If this is a termination statement, Line 16 must be zero.</i>		
17. LOAN GUARANTEES RECEIVED ..... Schedule B, Part 2	\$ 10,000	
<b>4 Cash Equivalents and Outstanding Debts</b>		
18. Cash Equivalents ..... See instructions on reverse	\$ 1,000	
19. Outstanding Debts ..... Add Line 2 + Line 9 in Column B above	\$ 14,550	

To calculate Column B, add amounts in Column A to the corresponding amounts from Column B of your last report. Some amounts in Column A may be negative figures that should be subtracted from previous period amounts. If this is the first report being filed for this calendar year, only carry over the amounts from Lines 2, 7, and 9 (if any).

**Calendar Year Summary for Candidates  
Running in Both the State Primary and  
General Elections**

1/1 through 6/30      7/1 to Date

20. Contributions Received \$ \_\_\_\_\_ \$ \_\_\_\_\_

21. Expenditures Made \$ \_\_\_\_\_ \$ \_\_\_\_\_

**Expenditure Limit Summary for State  
Candidates**

22. Cumulative Expenditures Made\*  
(If Subject to Voluntary Expenditure Limit)

Date of Election (mm/dd/yy)	Total to Date
____/____/____	\$ _____
____/____/____	\$ _____

\*Amounts in this section may be different from amounts reported in Column B.

FPPC Form 460 (January/05)  
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**C. Completing the Form 460 Summary Page**

The Summary Page provides an overview of the committee's financial activities, including all contributions received and expenditures made during the period covered by the statement. The Summary Page also includes the cumulative totals for contributions received and expenditures made during the calendar year. Although the Summary Page is located at the beginning of the Form 460, it should be completed last. Totals from certain schedules are carried forward to the Summary Page.



Complete the Summary Page after all other schedules have been completed. Totals from some of the schedules are carried forward to the Summary Page.

## **A** Column A – Total This Period

This column reflects the committee's activity through the current reporting period as reported on Schedules A through I. If there is no activity to report on a particular schedule, enter a zero or the word "none" on the appropriate line in Column A. There should be no blank lines.

## **B** Column B – Total to Date

This column generally reflects the cumulative totals since January 1 of the current calendar year. However, there is an exception if a committee is required to file a preelection statement in one year in connection with an election held in another year, such as elections held in January or early February. In this case, the cumulation period begins on January 1 of the year before the election and ends on the closing date of the semi-annual statement filed after the election.

Add the totals from Column B of the committee's last campaign statement (if any) to the corresponding amounts in Column A to calculate the Column B totals for the current statement. If this is the first report being filed for a calendar year, only carry forward the amounts for loans and accrued expenses reported on Lines 2, 7, and 9 of Column B from the committee's last statement. (Note: The amounts reported on Lines 2, 7, and 9 of Column B should be the same as the total outstanding amounts disclosed in column (d) of Schedules B, H, and F, respectively, of the current report.)

When loans (Schedules B and H) and accrued expenses (Schedule F) are paid, the figures to be carried forward from the schedules to Lines 2, 7, and 9 of Column A may be negative numbers. In this case, be sure to show them as negative figures on the Summary Page (e.g., with a minus sign (-) or in parentheses), and subtract them when totaling Columns A and B.

## **1** Lines 1-5 (Contributions Received)

Collectively, these lines represent contributions received: monetary, nonmonetary, and loans.

### Quick Tip

Loans and accrued expenses must be reported on each campaign statement until the amounts are paid off or forgiven.

## **2 Lines 6-11 (Expenditures Made)**

Collectively, these lines represent expenditures made: payments, loans made, accrued expenses (bills that are still outstanding), and nonmonetary adjustments.

## **3 Lines 12-16 (Current Cash Statement)**

The Current Cash Statement section should accurately reflect the committee's cash condition position at the end of the reporting period. If deposits or expenditures have been made that have not cleared the bank account, the committee's bank balance may not match the ending cash balance.

Beginning and ending cash balances should include the total amount of funds in the committee's campaign checking and savings accounts, plus any investments that can be readily converted to cash, such as certificates of deposit, money market accounts, stocks and bonds, etc.

### **Line 12 (Beginning Cash Balance)**

The beginning cash balance must be the same as the ending cash balance reported on Line 16 of the previously filed statement. If this is the first statement of the calendar year and no previous statement has been filed but money was raised or spent in the previous reporting period, enter the amount of cash on hand on December 31. Otherwise, enter zero.

### **Line 13 (Cash Receipts)**

This amount represents the total of all monetary contributions and loans received during the reporting period. Nonmonetary contributions should not be included.

### **Line 14 (Miscellaneous Increases to Cash)**

This amount represents increases to the committee's cash position that are not contributions, loans, or repayments of loans made to others. Miscellaneous increases to cash include, for example, interest received from a bank account, refunds received from vendors, and proceeds from the sale of campaign property or auction items. The amount is carried forward from Schedule I.

Together, Lines 13 and 14 reflect all money that has been received during the current reporting period.

#### **Line 15 (Cash Payments)**

This amount represents the total amount the committee has spent during the reporting period, including loans made and any accrued expenses paid.

#### **Line 16 (Ending Cash Balance)**

This amount represents the total of Lines 12, 13, and 14 minus Line 15. The amount reported on Line 16 must equal the total amount of cash the committee has in its campaign bank account and the amount of all funds held in interest bearing accounts, certificates of deposit, money market accounts, shares in government bonds, or any other investments that can be readily converted to cash.

If this is a termination statement, Line 16 must be zero.

#### **4 Line 17 (Loan Guarantees Received)**

This amount represents the total of all loan guarantees, endorsements, or security received during the period. The amount is carried forward from Schedule B, Part 2.

#### **5 Line 18 (Cash Equivalents)**

This amount includes investments that cannot be readily converted to cash, as well as the balance due on all outstanding loans the committee has made to others.

Do not include any amount that is invested in interest bearing accounts, certificates of deposit, money market accounts, or any other investments that can be readily converted to cash. These amounts should be part of the ending cash figure reported on Line 16.

#### **6 Line 19 (Outstanding Debts)**

This amount is the total of all money owed by the committee. Using Column B, add Line 2 (loans received) and Line 9 (accrued expenses).

## Lines 20, 21, & 22

These lines are for certain state candidates only. Local committees do not complete these sections.

### Answering Your Summary Page Questions

**A. Is there any circumstance where Line 16, Ending Cash Balance, would be a negative amount?**

If you report a negative amount on Line 16, this means that either you have made a mathematical error in your calculations or the committee's bank account is overdrawn. Rounding off also may cause a small negative in the cash on hand balance.

**B. Is there any circumstance where an amount in Column A would be negative?**

Yes. When loans and accrued expenses are paid down, the amount reflected in Column A may be a negative amount.

**C. What should I do if I am unable to balance my accounting records by the filing deadline?**

Since the Political Reform Act does not provide for filing deadline extensions, complete the form as accurately as you can and file by the deadline. You should file an amendment with the corrections as soon as possible.

**D. What is the most common mistake made on the Form 460 Summary Page?**

Loan repayments are often reported twice, once on Schedule B and again on Schedule E. When the committee makes a loan repayment, it should only be reported on Schedule B.

## D. General Rules for Reporting Contributions Received on Schedule A

Chapter 3 provides detailed information on the following topics, as well as other contribution reporting rules. The information below is a short summary of some of the most common reporting rules.

### **\$5,000 Contributor – Major Donor Notice**

If contributions totaling \$5,000 or more are received from a single source in a calendar year, a “major donor” notice must be sent to the contributor within two weeks. If a contribution of \$10,000 or more is received from a single source within 90 days before the election or on the date of the election, the notice must be sent within one week. Do not send the notice if the contribution is from another recipient committee.

### **Joint Checking Account**

If a check is received that is imprinted with two individuals’ names, report the contribution from the person who signed the check. However, if both individuals signed the check, or one signed the check but both have signed an accompanying document indicating that the contribution is from both, then report 50 percent of the contribution amount from one individual and 50 percent from the other, unless the document attributes specific amounts to each contributor.

### **Intermediary**

If a contribution of \$100 or more is received from a person who is acting as an intermediary for the true source of the contribution, disclose both the true source of the contribution and the intermediary. Failure to report the true source of a contribution is a serious violation of the Political Reform Act.

**Ex 8.1** -Sarah Gomez made a \$500 contribution to your committee and notified you that she would later be reimbursed by her employer, Hilltop Dairy. Your committee will report Hilltop Dairy as the source of the contribution and must also disclose Sarah as the intermediary.

### **Contributions from Family Trusts**

If a contribution is received from a family trust account, it is attributed to the person who directed the contribution.

## Aggregating Contributions

There are a variety of situations in which contributions from two or more contributors must be aggregated for reporting purposes. For example, when an individual who is the sole proprietor of a company makes a contribution from company funds and another contribution from personal funds, these contributions are added together for reporting purposes. Additional information and several examples are included in Chapter 3.

If contributions that must be aggregated are received from a major donor (i.e., an individual or business entity that makes contributions totaling \$10,000 or more in a calendar year), the major donor must notify each committee to which it makes a contribution of the name under which the major donor is filing its campaign statement (Form 461). When reporting the contribution received, the recipient of the contribution must identify the name under which the major donor is filing its Form 461 and the name of the contributor, if it is different.

## Contributor Information

If a committee receives a contribution of \$100 or more, but does not receive the required contributor information (name, address, and if the contributor is an individual, his or her occupation and employer) within 60 days of receiving the contribution, the committee must return the contribution to the contributor. Contributions may be deposited in the committee's bank account pending receipt of the information, in which case they must be reported on the next campaign statement (Form 460) filed. The campaign statement must be amended within 70 days from its closing date to disclose the missing contributor information, unless the contribution was returned to the donor.

See the chart below for examples of acceptable ways to report an individual's occupation and employer.

**Ex 8.2** -Temple Construction is a subsidiary of Temple Enterprises. Contributions made by the two entities must be aggregated and they qualify as a major donor. Your committee receives a contribution from Temple Construction. Temple Construction is required to notify you that its contribution is reported on a campaign statement filed under the name of Temple Enterprises. Your committee must identify both names on its report and, if you receive contributions from both entities, the contributions must be aggregated for purposes of reporting cumulative amounts.

## Individual Donor Information

(Contributors of \$100 or more)

### Complete

- Retired
- Consultant, A Better Business Agency
- Self-Employed, No Separate Business Name
- Homemaker or Student
- Private Investor: stocks & bonds
- Lawyer, Ortiz & Smith

### Incomplete

- Manager
- Next Door Neighbor
- Friend
- ABBA (no acronyms)
- Business Person
- Entrepreneur
- Investor

Contributions of \$100 or more **must be returned within 60 days** if individual's name, street address, occupation, and employer are not obtained.

### Calendar Year Cumulation Exception

The cumulation period for a statement is generally January 1 through December 31 of the current calendar year. However, there is an exception if a committee is required to file a preelection statement in one calendar year in connection with an election held in the next calendar year, such as elections held in January or early February. In this case, the cumulation period begins on January 1 of the year before the election and ends on the closing date of the semi-annual statement filed after the election.

### Returned Contributions

**Not Deposited:** A contribution need not be reported if it is not cashed, negotiated, or deposited and is returned to the contributor before the closing date of the campaign statement on which it would otherwise be reported. A contribution of \$1,000 or more received in the 90 days prior to the election, or on the date of the election, need not be reported if it is not cashed, negotiated, or deposited and is returned to the contributor within 24 hours of receipt.

**Deposited, Negotiated, or Returned After Closing Date:** A contribution that is cashed, negotiated, or deposited, and is not returned prior to the closing date of the campaign statement, must be reported on Schedule A. If the contribution is returned within 30 days

**Ex 8.3** - A city calls a February 4 special election to fill a vacant city council position. Candidates running in the February 4 election are required to file two preelection statements in connection with the election. The first preelection statement is due in December of the year prior to the year in which the election will be held. In this case, the cumulation period begins on January 1 of the year before the election and ends on the closing date of the semi-annual statement filed after the election.

of receipt, and within the reporting period, the return may be shown as a negative figure on Schedule A. Otherwise, the return of the contribution must be reported on Schedule E.

**Returned for Insufficient Funds:** If the committee deposits a check and the check is returned from the bank due to insufficient funds, both the receipt and the return of the contribution may be reported on Schedule A (the return will be reported as a negative amount) if the committee returns the check to the contributor during the same reporting period. Otherwise, the return of the contribution must be reported on Schedule E.

### **Transfers**

If campaign funds are transferred from one of a candidate's controlled local election committees to another, the transfer is reported by the receiving committee on Schedule I, not on Schedule A.

### **Enforceable Promises**

If a contribution is received in the form of an "enforceable promise" that has not been paid during the period, report the contribution as a memo entry on Schedule A.

Disclose the date of the promise, all of the required information about the contributor, and the amount promised, but do not include the amount in the summary totals. When the contributor makes the actual payment, fully disclose the contribution on Schedule A, if the payment is made to the committee, or on Schedule C, if the contributor pays the vendor directly, and include the amount in the appropriate summary section.

### **Installment Payments**

Contributions may be received as installment payments made at regular intervals over a period of time via credit card, debit card, wire transfer, or similar electronic means. When a contributor authorizes a series of installment payments, the contribution is reported as received when the committee, or agent of the committee, obtains possession or control of the funds for each installment payment.

**Schedule A  
Monetary Contributions Received**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

SCHEDULE A

Statement covers period from <u>7/1/XX</u>	<b>CALIFORNIA FORM 460</b>
through <u>12/31/XX</u>	
Page <u>XX</u> of <u>XX</u>	I.D. NUMBER <u>12344XX</u>

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER

Manuel Alvarez for Mayor 20XX

1 DATE RECEIVED	2 DONOR NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	3 CONTRIBUTOR CODE *	4 IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	5 AMOUNT RECEIVED THIS PERIOD	6 CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	7 PER ELECTION TO DATE (IF REQUIRED)
9/2/XX	Joey's Super Market 500 North Mesa Street Oakmont, CA 95443	<input type="checkbox"/> IND <input type="checkbox"/> COM <input checked="" type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		\$5,000	\$5,000	
10/15/XX	Martin Developers 1650 Wingfield Road Oakmont, CA 95443	<input type="checkbox"/> IND <input type="checkbox"/> COM <input checked="" type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		\$198	\$198	
	Intermediaries: Marcus Brown \$99 325 Richmond Road, Oakmont, CA 95443	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Bookkeeper, Martin Developers			
	Ashley Green \$99 448 Harbor Drive Oakmont, CA 95443	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Sales Representative, Martin Developers			
12/15/XX	Angel Trujillo 6688 Fourth Avenue Oakmont, CA 95443	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Requested	\$75	\$300	
<b>SUBTOTAL \$</b>				5,273		

**8 Schedule A Summary**

1. Amount received this period - itemized monetary contributions. (Include all Schedule A subtotals) .....	\$ 5,273
2. Amount received this period - unitemized monetary contributions of less than \$100 .....	\$ 1,500
3. Total monetary contributions received this period. (Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Line 1.) .....	<b>TOTAL \$ 6,773</b>

\*Contributor Codes  
IND - Individual  
COM - Recipient Committee  
(other than PTY or SCC)  
OTH - Other (e.g., business entity)  
PTY - Political Party  
SCC - Small Contributor Committee

FPPC Form 460 (January/05)  
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

**E. Completing the Form 460 Schedule A (Monetary Contributions Received)**

Schedule A is used to report monetary contributions received by the committee, except for loans received, which are reported on Schedule B. Payments received for repayments on loans made to others are reported on Schedule H. Payments received that are not contributions, loans, or repayments of loans made to others, are reported as miscellaneous increases to cash on Schedule I.

## 1 Date Received

Enter the date the committee obtained possession or control of the contribution. For instance, in the case of a check, report the date the check was received, which may differ from the date the check was written and the date the check was deposited.

For contributions received by electronic transaction (such as credit card, debit account, or wire transfer, including those received over the Internet), report the date the committee received or had control of the credit/debit account information or other payment information, or the date the committee received or had control of the funds, whichever is earlier. Chapter 2 provides several examples of different types of contributions and when they are deemed “received.”

## 2 Contributor Information

Itemize persons that have contributed to the committee a cumulative amount of \$100 or more during the calendar year. Provide each contributor’s full name, street address, city, state, and zip code. **Note:** Many local agencies require itemization at a lower threshold so check with your elections office.

If the contributor is a recipient committee, report that committee’s identification number. If an identification number has not yet been assigned or is unknown, report the full name, street address, city, state, and zip code of that committee’s treasurer.

If a contribution is received through an intermediary, provide the name, street address, city, state, zip code, and, if applicable, occupation and employer, of both the intermediary and the true source of the contribution. (See Chapter 3.)

## 3 Contributor Code

For each itemized contributor, check the appropriate box to indicate whether the contributor is an individual, a committee, “other” (such as a business entity), or a political party. (The code “SCC” is for small contributor committees and is applicable only to state candidates and committees.)

**Ex 8.4** - Wade Murphy contributed \$25 to your committee during the first reporting period of the calendar year. On your committee’s first campaign statement, Wade’s contribution was not required to be itemized. During the second reporting period, Wade contributed \$99 to your committee. Since his cumulative contributions for the calendar year are now \$100 or more, Wade must be itemized on the next campaign statement. The \$99 contribution will be reported under “amount received this period” and \$124 will be reported as the “cumulative to date” total. His name, address, occupation, and employer must also be disclosed.

#### **4 Occupation and Employer Information**

If the contributor is an individual, provide the individual's occupation and the name of his or her employer. If the individual is self-employed, provide the name of his or her business. Do not leave this column blank. If the information has not yet been obtained, enter "requested" or similar language and amend Schedule A when the information has been received.

As explained in Chapter 2, a contribution of \$100 or more must be returned if the contributor's name, street address, and if the contributor is an individual, his or her occupation and employer are not in the committee's records within 60 days of receipt of the contribution.

#### **5 Amount Received This Period**

Report the amount of the contribution.

#### **6 Cumulative to Date**

Enter the cumulative amount of contributions (including monetary contributions, nonmonetary contributions, loans, and loan guarantees) received from the contributor. Contributions from a single source are generally cumulated from January 1 through December 31 of the current calendar year. However, there is an exception to calendar year cumulation if the committee is required to file a preelection statement in one calendar year in connection with an election held in the next calendar year. See "Calendar Year Cumulation Exception" under Section D., General Rules for Reporting Contributions Received on Schedule A.

The amount listed in the "Cumulative to Date Calendar Year" column will differ from the "Amount Received This Period" column if the committee has received other contributions, including nonmonetary contributions, loans, or loan guarantees from the same source during the calendar year. Once a committee has received \$100 or more from a contributor in a calendar year, all future contributions received from that contributor in that calendar year, regardless of the amount, must be itemized.

#### **Quick Tip**

Once a committee has received \$100 or more from a contributor in a calendar year, all future contributions received from that contributor in that calendar year, regardless of the amount, must be itemized.

## **7** Per Election to Date

The “Per Election to Date” column is generally for state candidates and committees that are subject to contribution limits. The Political Reform Act does not contain contribution limits for local candidates and committees; however, local ordinances may include limits and other restrictions and reporting requirements. Local candidates and committees should check with the local elections office about reporting obligations under local laws.

## **8** Schedule A Summary

Complete the Schedule A Summary section by entering the total amount of itemized contributions (\$100 or more) received this period on Line 1 and the total amount of unitemized contributions (less than \$100) received this period on Line 2. Add Lines 1 and 2 and enter that amount on Line 3. The amount on Line 3 is carried forward to the overall Summary Page, Column A, Line 2.

**Schedule B – Part 1  
Loans Received**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

SCHEDULE B - PART 1

Statement covers period from <u>7/1/XX</u> through <u>12/31/XX</u>	<b>CALIFORNIA FORM 460</b>
	Page <u>XX</u> of <u>XX</u>

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER  
**Manuel Alvarez for Mayor 20XX**

I.D. NUMBER  
**12344XX**

1	2	a	b	c	d	e	f	g	i
FULL NAME, STREET ADDRESS AND ZIP CODE OF LENDER (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	(a) OUTSTANDING BALANCE BEGINNING THIS PERIOD	(b) AMOUNT RECEIVED THIS PERIOD	(c) AMOUNT PAID OR FORGIVEN THIS PERIOD	(d) OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD	(e) INTEREST PAID THIS PERIOD	(f) ORIGINAL AMOUNT OF LOAN	(g) CUMULATIVE CONTRIBUTIONS TO DATE	(i) CALENDAR YEAR PER ELECTION**
American Credit Union 350 South Park Street Oakmont, CA 95443  † <input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		\$ -0-	\$ 10,000	<input type="checkbox"/> PAID \$ -0- <input type="checkbox"/> FORGIVEN \$ -0-	\$ 10,000  7/1/XX DATE DUE	5 % RATE \$ 250	\$ 10,000  7/1/XX DATE INCURRED	\$ N/A  \$ N/A	N/A  N/A
Manuel Alvarez 4245 McDow Street Oakmont, CA 95443  † <input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Editor, Oakmont Weekly	\$ 2,000	\$ -0-	<input checked="" type="checkbox"/> PAID \$ 1,000 <input type="checkbox"/> FORGIVEN \$ -0-	\$ 1,000  N/A DATE DUE	-0- % RATE \$ -0-	\$ 2,000  1/15/XX DATE INCURRED	\$ 2,000  \$ N/A	2,000  N/A
<b>SUBTOTALS</b>		\$	\$ 10,000	\$ 1,000	\$ 11,000	\$ 250			

**3 Schedule B Summary** (Enter (e) on Schedule E, Line 3)

1. Loans received this period ..... \$ 10,000  
(Total Column (b) plus unitemized loans of less than \$100.)

2. Loans paid or forgiven this period ..... \$ 1,000  
(Total Column (c) plus loans under \$100 paid or forgiven.)  
(Include loans paid by a third party that are also itemized on Schedule A.)

3. Net change this period. (Subtract Line 2 from Line 1.) ..... **NET \$ 9,000**  
Enter the net here and on the Summary Page, Column A, Line 2.  
(May be a negative number)

†Contributor Codes  
IND – Individual  
COM – Recipient Committee  
(other than PTY or SCC)  
OTH – Other (e.g., business entity)  
PTY – Political Party  
SCC – Small Contributor Committee

\*Amounts forgiven or paid by another party also must be reported on Schedule A.  
\*\* If required.

FPCC Form 460 (January/05)  
FPCC Toll-Free Helpline: 926/ACK, FPCC (926/275-3774)

**F. Completing the Form 460 Schedule B – Part 1 (Loans Received)**

Schedule B is used to report activity on loans received by the committee. Outstanding loans are reported on each campaign statement until they are paid off or forgiven. Schedule B has two parts:

- Part 1 lists loans received or outstanding, and the repayment, forgiveness, or payment by a third party of a loan previously received.
- Part 2 lists information about loan guarantors, if any.

**Quick Tip**

If the committee has drawn on a line of credit, it is reported as a loan.

## 1 Lender Information and Contributor Code

Provide the full name, street address, city, state, and zip code, of each lender of \$100 or more. For each itemized lender, check the appropriate box to indicate whether the lender is an individual, a committee, "other" (such as a business entity), or a political party. (The code "SCC" is for small contributor committees and is applicable only to state candidates and committees.)

### Financial Institution

If a financial institution (i.e., bank or credit union) has made a loan to the committee, or the committee has drawn on a line of credit from a financial institution, report the institution as the lender, even if the candidate has established the line of credit.

## 2 Individual Lender

If the lender is an individual (including a candidate or officeholder using personal funds to make a loan to his or her committee), provide the individual's occupation and the name of his or her employer. If the individual is self-employed, provide the name of his or her business. Do not leave this column blank. If this information has not yet been obtained, enter "requested" or similar language and amend Schedule B, Part 1, when the information is received. (See Chapter 2 for information about the requirement to return contributions/loans if the name, address, occupation, or employer information is not received.)

### Loan Amounts

#### a Outstanding Balance Beginning This Period

Enter the outstanding loan balance at the beginning of this reporting period (Column (d) of the last report filed). If the loan was received this period, enter zero.

#### b Amount Received This Period

Enter the amount received from the lender during this reporting period. If this loan was received in a previous reporting period, enter zero.

#### Quick Tip

A loan received from a commercial lending institution in the normal course of business is reportable on Schedule B but is not considered a contribution. Contributor codes and cumulative amounts are only required for loans that are contributions.

#### Quick Tip

A candidate or officeholder who deposits personal funds into his or her own campaign bank account may report the funds as a loan on Schedule B or as a contribution on Schedule A.

#### Quick Tip

Report each loan separately, even if the committee has received more than one loan from a single source.

**c Amount Paid or Forgiven This Period**

Enter the amount of any reduction of the loan during this reporting period. Check the appropriate box to indicate whether the reduction was a payment or forgiveness. When the lender forgives all or part of a loan, or a third party makes a payment on a loan, also report the lender or third party on Schedule A as a contributor. Enter zero if no payments were made during this reporting period.

**d Outstanding Balance at Close of This Period**

Enter the outstanding balance of the loan at the close of this reporting period. Enter the due date, if any.

**e Interest Paid This Period**

Enter the interest rate and the amount of interest paid on the loan during this reporting period. If the lender is not charging interest, indicate "none" on the "interest rate" line. Interest paid is reported separately from payments made on the loan principal. Interest payments are also transferred to the Schedule E Summary.

**f Original Amount of Loan**

Enter the original amount of the loan and the date it was received. If this is the first time the loan is being reported, this is the same amount as reported in Column (b).

**g Cumulative Contributions to Date**

Enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) received from the lender. Contributions from a single source are generally cumulated from January 1 through December 31 of the current calendar year. However, there is an exception to calendar year cumulation if the committee is required to file a preelection statement in one calendar year in connection with an election held in the next calendar year. See "Calendar Year Cumulation Exception" under Section D., General Rules for Reporting Contributions Received on Schedule A.

The "Per Election to Date" column is generally for state candidates and committees that are subject to contribution limits. The Political Reform Act does not contain contribution limits for local candidates and committees; however, local ordinances may include limits and other restrictions and reporting requirements. Local candidates and committees should check with the local elections office about reporting obligations under local laws.

### **3 Schedule B Summary**

Complete the Schedule B Summary by entering the total amount of loans **received** this period on Line 1 and the total amount of loans **paid or forgiven** on Line 2. Subtract Line 2 from Line 1 and enter the difference (net change this period) on Line 3. The amount on Line 3 will be a negative amount when the loans paid or forgiven this period are more than the amount of new loans received. The amount on Line 3 is carried forward to the overall Summary Page, Column A, Line 2.

#### **Outstanding Loans Received (Summary Page – Column B, Line 2)**

Loans received are carried forward on future statements until they are paid off or forgiven. To determine the amount for Column B, Line 2 of the overall Summary Page, add the amount from Column A, Line 2 of this statement to the amount of Column B, Line 2 of the previous statement. If the amount in Column A, Line 2 is a negative number, subtract it from the amount in Column B, Line 7 of the previous statement.

**Schedule B – Part 2  
Loan Guarantors**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

SCHEDULE B - PART 2

Statement covers period from <u>7/1/XX</u>	<b>CALIFORNIA FORM 460</b>
through <u>12/31/XX</u>	
Page <u>XX</u> of <u>XX</u>	

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER Manuel Alvarez for Mayor 20XX				I.D. NUMBER 12344XX		
1	2	3	4	5	6	7
FULL NAME, STREET ADDRESS AND ZIP CODE OF GUARANTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	LOAN	AMOUNT GUARANTEED THIS PERIOD	CUMULATIVE TO DATE	BALANCE OUTSTANDING TO DATE
Joseph Alvarez 445 C Street Oakmont, CA 95443	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Realtor, Alvarez and Mitchell Realty	LENDER American Credit Union  DATE 7/1/XX	\$10,000	CALENDAR YEAR \$ 10,000 PER ELECTION (IF REQUIRED) \$ N/A	\$10,000
SUBTOTAL				\$ 10,000	Enter on Summary Page, Line 17 only	

**G. Completing the Form 460 Schedule B – Part 2 (Loan Guarantors)**

**1 Guarantor Information**

If someone other than the controlling candidate co-signs, endorses, or provides security for a loan of \$100 or more, enter the full name, street address, city, state, and zip code, of the guarantor.

**Lines of Credit**

If a third party establishes a line of credit of \$100 or more for the committee, enter the third party's full name, street address, city, state, and zip code, as the guarantor.

**2 Contributor Code**

For each itemized guarantor, check the appropriate box to indicate whether the guarantor is an individual, committee, "other" (i.e., business entity), or a political party. (The code "SCC" is for small contributor committees and is applicable only to state candidates and committees.)

**3 Individual Loan Guarantor**

If the guarantor is an individual, provide the individual's occupation and the name of his or her employer. If the individual is self-employed, provide the name of his or her business. Do not leave this column

blank. If this information has not yet been obtained, enter “requested” or similar language and amend Schedule B, Part 2, when the information is received.

#### **4** Loan/Lender

Enter the name of the lender or the entity at which a line of credit was established and the date of the loan or the date the line of credit was established.

#### **5** Amount Guaranteed This Period

Enter the amount guaranteed this period, if applicable. For lines of credit, enter the full amount established or secured by the guarantor during the period. (Report amounts **drawn** on a line of credit on Schedule B — Part 1.)

#### **6** Cumulative to Date

Enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) received from the guarantor. Contributions from a single source are generally cumulated from January 1 through December 31 of the current calendar year. However, there is an exception to calendar year cumulation if the committee is required to file a preelection statement in one calendar year in connection with an election held in the next calendar year. See “Calendar Year Cumulation Exception” under Section D., General Rules for Reporting Contributions Received on Schedule A.

The “per election” information is generally only required for state candidates and committees that are subject to contribution limits. The Political Reform Act does not contain contribution limits for local candidates and committees; however, local ordinances may include limits and other restrictions and reporting requirements. Local candidates and committees should check with the local elections office about reporting obligations under local laws.

#### **7** Balance Outstanding to Date

Report the outstanding balance for which the guarantor is liable at the close of the reporting period.

#### Quick Tip

Loan guarantees are not included in the Schedule B Summary, but are carried forward in a lump sum to Line 17 of the overall Summary Page.

## H. General Rules for Reporting Nonmonetary Contributions Received on Schedule C

Schedule C is used to report nonmonetary contributions received by the committee. Nonmonetary contributions are goods or services provided to the committee for which it does not pay the fair market value.

The fair market value is the amount the committee would pay for the goods or services on the open market – whatever it would cost any member of the general public to obtain the same goods or services. (See Chapter 3 for assistance in determining the fair market value of a nonmonetary contribution.)

**Ex 8.5** - A restaurant donates food for a committee fundraiser. The cost of the food if purchased by the committee would be \$1,000. The committee must report \$1,000 as the fair market value of the contribution even though the cost to the restaurant was less than the fair market value.

### Examples of Nonmonetary Contributions

- Items donated for a garage sale, raffle, or auction.
- Poll results.
- Signs, postage, and printing.
- Food and entertainment provided for a fundraiser.
- Discounts or rebates that are not extended to the general public.
- Mailing lists, mailings, and other advertising.
- Forgiveness of an accrued expense by the creditor.
- Use of an office, automobile, or airplane.
- Mail production, postage, printing, shipping, data and graphics.
- Phone banking and public communications.
- Media consulting services.
- Video services.
- Staff time and expenses.
- Banner ads.

- Precinct walking and door hangers.
- Food for volunteers.
- Slate mailer/slate cards.
- Campaign materials, flyers for rally, buttons, t-shirts.
- Corporate stock.
- Compensation paid by an employer to an employee who spends more than 10 percent of his or her compensated time in a calendar month working on campaign activities for one or more campaigns. Compensation includes gross wages paid and any benefits in lieu of wages, such as stock options or an annuity purchase. Compensation does not include standard benefits, such as the employer's payments to a retirement or health plan.

(See Chapter 3 for exceptions, such as volunteer personal services, home/office fundraisers, and member communications.)

**Quick  
Tip**

If corporate stock is received as a contribution, the amount reported on Schedule C is the value listed on the stock exchange on the date of receipt. When the stock is sold, the proceeds are reported on Schedule 1 as a miscellaneous increase to cash. See Chapter 3 for additional information.

**Schedule C  
Nonmonetary Contributions Received**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

SCHEDULE C

Statement covers period from <u>7/1/XX</u>	<b>CALIFORNIA FORM 460</b>
through <u>12/31/XX</u>	
Page <u>XX</u> of <u>XX</u>	

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER

I.D. NUMBER  
12344XX

1 DATE RECEIVED	2 FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	3 CONTRIBUTOR CODE *	4 IF AN INDIVIDUAL ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	5 DESCRIPTION OF GOODS OR SERVICES	6 AMOUNT/ FAIR MARKET VALUE	7 CUMULATIVE TO DATE CALENDAR YEAR (JAN 1 - DEC 31)	8 PER ELECTION TO DATE (IF REQUIRED)
9/25/XX	Genesis Insurance Company 850 F Street Oakmont, CA 95443	<input type="checkbox"/> IND <input type="checkbox"/> COM <input checked="" type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		Fundraising Expenses	\$1,500	\$1,500	N/A
10/1/XX	Citizens for Improving Oakmont (ID 11678XX) 1275 Main Street, Oakmont, CA 95443	<input type="checkbox"/> IND <input checked="" type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		Employee Compensation for Campaign Activities	\$5,000	\$5,000	N/A

Attach additional information on appropriately labeled continuation sheets.

SUBTOTAL \$ 6,500

9 Schedule C Summary	
1. Amount received this period – itemized nonmonetary contributions. (Include all Schedule C subtotals.)	\$ 6,500
2. Amount received this period – unitemized nonmonetary contributions of less than \$100	\$ -0-
3. Total nonmonetary contributions received this period. (Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Lines 4 and 10.)	TOTAL \$ 6,500

\*Contributor Codes  
IND – Individual  
COM – Recipient Committee  
(other than PTY or SCC)  
OTH – Other (e.g., business entity)  
PTY – Political Party  
SCC – Small Contributor Committee

**I. Completing the Form 460 Schedule C (Nonmonetary Contributions Received)**

**1 Date Received**

A nonmonetary contribution is received on the earlier of the following:

- The date that funds are expended by the contributor for the goods or services;
- The date that the candidate or committee obtains possession or control of the goods or services; or
- The date the committee receives the benefit of the expenditure.

**Ex 8.6** - A general purpose committee, in coordination with your committee, printed a brochure advocating your election to the school board. The committee delivered the brochures to your committee headquarters on February 22 and paid the printing bill on March 15. Your committee received the nonmonetary contribution on February 22.

**2 Contributor Information**

Itemize persons who have contributed to the committee a cumulative amount of \$100 or more during the calendar year. Provide each contributor's name, street address, city, state, and zip code.

Remember to maintain the names and addresses of contributors of \$25 or more in your records. (See Chapter 2.)

### **3 Contributor Code**

For each itemized guarantor, check the appropriate box to indicate whether the guarantor is an individual, committee, "other" (i.e., business entity), or a political party. (The code "SCC" is for small contributor committees and is applicable only to state candidates and committees.)

### **4 Occupation and Employer**

If the contributor is an individual, provide the individual's occupation and the name of his or her employer. If the individual is self-employed, provide the name of his or her business. Do not leave this column blank. If this information has not yet been obtained, enter "requested" or similar language and amend Schedule C when the information has been received.

### **5 Description of Goods or Services**

Provide a brief description of the goods or services received.

### **6 Amount/Fair Market Value**

Report the value of the nonmonetary contribution received.

### **7 Cumulative to Date**

Enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) received from the contributor. Contributions from a single source are generally cumulated from January 1 through December 31 of the current calendar year. However, there is an exception to calendar year cumulation if the committee is required to file a preelection statement in one calendar year in connection with an election held in the next calendar year. See "Calendar Year Cumulation Exception" under Section D., General Rules for Reporting Contributions Received on Schedule A.

#### **Quick Tip**

If an individual donates his or her personal or professional services to a campaign (including his or her travel expenses), no contribution has been made or received as long as the individual is not paid or reimbursed.

## **8 Per Election to Date**

The “Per Election to Date” column is generally for state candidates and committees that are subject to contribution limits. The Political Reform Act does not contain contribution limits for local candidates and committees; however, local ordinances may include limits and other restrictions and reporting requirements. Local candidates and committees should check with the local elections office about reporting obligations under local laws.

## **9 Schedule C Summary**

Complete the Schedule C Summary section by entering the total amount of itemized nonmonetary contributions (\$100 or more) received this period on Line 1 and the total amount of unitemized nonmonetary contributions (less than \$100) received this period on Line 2. Add Lines 1 and 2 and enter the total on Line 3. The amount on Line 3 is carried forward to the overall Summary Page, Column A, Lines 4 and 10. **Reminder:** Once a contributor has contributed \$100 or more in a calendar year, all future contributions received from that person, regardless of the amount, must be itemized.

## **Answering Your Nonmonetary Contributions Questions**

### **A. What is the value of the time provided by a graphic artist who volunteers to design a logo for my committee?**

The artist’s time is not reportable if it constitutes volunteer personal services. But, if the artist is an employee of a business and spends more than 10 percent of his or her compensated time in a calendar month working on the design, the paid compensation becomes a nonmonetary contribution from the artist’s employer.

### **B. How do I determine the fair market value of a mailing list provided by another committee?**

The most common way for a committee to determine the value is to contact a business from which a similar mailing list may be obtained.

**C. Before I was aware that I must deposit personal funds used for campaign purposes into my campaign bank account, I made some purchases for letterhead, signs and mailing lists from my personal funds. I do not plan to be reimbursed for the purchases. Must I report a nonmonetary contribution?**

Yes. The Act requires a candidate to deposit personal funds into the campaign bank account prior to using the funds for campaign expenditures. This provides a clear audit trail of campaign expenditures. However, when campaign expenditures are made with personal funds, the payments must still be reported. Since you will not be reimbursed, the amount of personal funds used should be reported on Schedule C as nonmonetary contributions. Purchases of \$100 or more must be itemized.

#### **J. General Rules for Reporting Expenditures Supporting/ Opposing Other Candidates, Measures, and Committees on Schedule D**

Schedule D provides a summary of payments reported on Schedules E, F, and H that are contributions or independent expenditures to support or oppose other candidates, measures, and committees. Such payments include:

- Monetary contributions or loans to other candidates and committees.
- Payments to vendors for goods or services for other candidates and committees (nonmonetary contributions).
- Donations to other candidates and committees of goods on hand, or the payment of salary or expenses for a campaign employee who spends more than 10 percent of his or her compensated time in a calendar month on campaign activities for other candidates or committees (nonmonetary contributions).

- Payments for communications (e.g., mailings, billboards, radio ads) that expressly advocates support of or opposition to a clearly identified candidate or ballot measure, but the payments are not made to, or at the behest of, the candidate or ballot measure committee (independent expenditures).

### **Candidate Controlled Committees**

Payments made to support the controlling candidate's own candidacy, or to oppose the candidate's opponent(s), are not reported on Schedule D. These payments are direct campaign expenditures and are reported only on Schedule E.

If, during a calendar year, an officeholder or candidate uses **personal** funds to make contributions of \$10,000 or more, or independent expenditures of \$1,000 or more, to support or oppose **other** officeholders, candidates, committees, or ballot measures (including a controlled ballot measure committee), the candidate must file a Major Donor and Independent Expenditure Committee Campaign Statement (Form 461). These payments are not reported on Schedule D.

### **Primarily Formed Committees**

Payments made for communications that support or oppose the candidate for which the committee is primarily formed are required to be reported on Schedule D as either contributions or independent expenditures, depending on whether the payments were made at the behest of the candidate. These payments are also reported on Schedule E or F.

**Schedule D  
Summary of Expenditures  
Supporting/Opposing Other  
Candidates, Measures and Committees**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

Statement covers period from <u>7/1/XX</u>	<b>CALIFORNIA FORM 460</b>
through <u>12/31/XX</u>	
Page <u>XX</u> of <u>XX</u>	

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER <b>Manuel Alvarez for Mayor 20XX</b>	I.D. NUMBER <b>12344XX</b>
---	-------------------------------

1 DATE	2 NAME OF CANDIDATE, OFFICE, AND DISTRICT, OR MEASURE NUMBER OR LETTER AND JURISDICTION, OR COMMITTEE	3 TYPE OF PAYMENT	4 DESCRIPTION (IF REQUIRED)	5 AMOUNT THIS PERIOD	6 CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	7 PER ELECTION TO DATE (IF REQUIRED)
10/1/XX	Committee for Bike Lanes in Oakmont Yes on Measure E (ID 12456XX) City of Oakmont  <input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose	<input checked="" type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure	Loan	\$1,000	\$1,000	N/A
10/12/XX	Del Norte County Independent Central Committee (ID 11852XX)  <input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose	<input checked="" type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure		\$500	\$500	N/A
	  <input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				
<b>SUBTOTAL \$</b>				<b>1,500</b>		

<b>8 Schedule D Summary</b>	
1. Itemized contributions and independent expenditures made this period. (Include all Schedule D subtotals.) .....	\$ 1,500
2. Unitemized contributions and independent expenditures made this period of under \$100 .....	\$ -0-
3. Total contributions and independent expenditures made this period. (Add Lines 1 and 2. Do not enter on the Summary Page.) .....	<b>TOTAL \$ 1,500</b>

FPPC Form 460 (January/05)  
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

**K. Completing the Form 460 Schedule D (Summary of Expenditures Supporting/Opposing Other Candidates, Measures and Committees)**

**1 Date**

Report the date the contribution or independent expenditure was made. A monetary contribution is made on the date it is mailed, delivered, or otherwise transmitted to the officeholder, candidate, or committee.

A **nonmonetary contribution** is made on the earlier of the following:

- The date an expenditure is made for the goods or services;
- The date the committee or an agent of the committee obtained possession or control of the goods or services; or
- The date the committee otherwise received the benefit of the expenditure.

A payment made in connection with the development, production, or dissemination of a communication that is an **independent expenditure** must be reported no later than the date the communication is mailed, broadcast, or otherwise disseminated to the public.

A payment for a communication that is never disseminated to the public is not considered an independent expenditure and need not be reported on Schedule D. The payment must be reported on Schedule E as an expenditure.

## 2 Candidate and Office, Measure and Jurisdiction, or Committee

If a total of \$100 or more is contributed or expended during a calendar year to support or oppose a single candidate, ballot measure, or a general purpose committee (e.g., a political party), disclose the name of the candidate and the office sought or held, the number or letter and jurisdiction of the ballot measure, or the name of the general purpose committee. For each candidate or measure listed, indicate whether the payment was made to support or oppose the candidate or measure.

## 3 Type of Payment

Check the appropriate box to indicate whether the payment was a monetary contribution, nonmonetary contribution, or independent expenditure.

**Ex 8.7** - Your committee, working on behalf of the Friends of the Forest committee, arranged for the mailing of a campaign piece supporting their issue. The mailer is sent to voters directly from the mail house on September 4. On September 6, the mail house submits an invoice for payment to your committee. Your committee made a nonmonetary contribution to the Friends of the Forest committee on September 4 (the date they received the benefit of the expenditure).

### Quick Tip

Schedule D is a summary of payments made by the committee that were contributions to other candidates and committees or independent expenditures to support or oppose other candidates and ballot measures. The payments are also reported on Schedule E, F, or H.

**Ex 8.8** - The Committee to Elect Waters for Seaside Mayor 20XX made a contribution of \$100 to the Committee to Support Growth in Seaside, Yes on Measure C. In addition to reporting the contribution on Schedule D, the expenditure must also be reported on Schedule E.

#### **4 Description of Nonmonetary Contribution Where No Payment is Made**

Because payments must be described when they are reported on Schedule E or F, a description is not required on Schedule D for payments reported on Schedule E or F that are nonmonetary contributions or independent expenditures. However, if no payment was made, describe the goods or services. For example, if goods on hand (i.e., office supplies) are contributed to another candidate or committee, a description must be included.

#### **5 Amount This Period**

Provide the amount(s) of contributions or independent expenditures made this period relative to each candidate, measure, or committee.

#### **6 Cumulative to Date Calendar Year**

Report the cumulative amount contributed to or expended to support or oppose each itemized candidate, ballot measure, or committee since January 1 of the current calendar year.

If contributions are made to more than one election committee controlled by the same candidate, report the total amount contributed to all of the committees. Do not cumulate contributions made to a candidate's election committee with contributions made to other committees controlled by the candidate, such as a ballot measure committee or a legal defense fund committee. Contributions and independent expenditures are cumulative separately.

#### **7 Per Election to Date**

If contributions of \$100 or more were made to state candidates during a state election cycle, the cumulative amount contributed during the election cycle is reported in this column.

In addition, a local ordinance may require committees in that jurisdiction to report the cumulative amount contributed to a local candidate during a specified period. Check with the local elections office.

## **8** Schedule D Summary

Complete the Schedule D Summary by entering the total amount of itemized contributions and independent expenditures of \$100 or more (Line 1), the total amount of unitemized contributions and independent expenditures of less than \$100 (Line 2), and the total amount for both (Line 3). Totals from the Schedule D Summary are **not** carried forward to the overall Summary Page.

### **Answering Your Major Donor Questions**

- A. Must a candidate file the Form 461 (Major Donor and Independent Expenditure Committee Campaign Statement) if he or she makes personal contributions to his or her controlled election campaign committee of \$10,000 or more?**

No. A candidate's contributions to his or her own election committee do not trigger the requirement to file the Form 461. But, if a candidate otherwise qualifies as a major donor committee by making personal contributions of \$10,000 or more to other candidates or committees, the Form 461 must also include personal contributions made to his or her own controlled committees.

- B. Must the spouse of a candidate file the Form 461 if he or she makes personal contributions to his or her spouse's campaign of \$10,000 or more?**

If the contributions are made from community funds, neither the spouse nor the candidate will qualify as a major donor. But, if the candidate's spouse makes contributions from legally separate funds, the spouse will become a major donor and must file the Form 461.

- C. Must a candidate file the Form 461 if he or she makes personal contributions to his or her controlled ballot measure committee of \$10,000 or more?**

Yes.

**D. Using personal funds, a candidate made contributions totaling \$9,000 to other candidates and committees. She also contributed \$3,000 to her own election committee. Since the total amount of all contributions made is \$12,000, must the candidate file the Form 461 as a major donor?**

No. Contributions to a candidate's own election committee are not counted toward the \$10,000 major donor threshold.

### **L. General Rules for Reporting Payments Made on Schedule E and Accrued Expenses (Unpaid Bills) on Schedule F**

Schedule E is used to report money spent by the committee during the reporting period, except for payments made on loans received by the committee or payments made to make loans to other candidates or committees. Use Schedule B (Part 1) to report repayments on **loans received** by the committee. Use Schedule H to report **loans made** to other candidates and committees.

An expenditure is "made" on the date the payment is made or the date the committee receives the goods or services, whichever is earlier. Use Schedule F to report amounts owed by the committee for goods or services received but not paid for by the end of the reporting period.

#### **Quick Tip**

Expenditures of campaign funds must have a political, legislative, or governmental purpose. (See Chapter 5.)

**Ex 8.9** - During October and November, you:

- (a) Paid a deposit on a room for a fundraiser to be held January 10;
- (b) Ordered and received the fundraiser invitations for which you were billed but had not made a payment by December 31; and
- (c) Ordered, but did not receive, flowers for the fundraiser for which you will be billed at the end of January.

On your semi-annual statement covering the period ending December 31, report the payment for the room deposit on Schedule E. Because you received the invitations but had not paid for them by December 31, report the outstanding amount on Schedule F. The cost of the flowers will not be reported until the next reporting period because you did not pay for nor receive the flowers during the period covered by the statement.

The committee's unpaid administrative overhead expenses, such as rent, utilities, phones, or employee salaries, need not be reported on Schedule F if the committee has not received a bill in the normal course of business or if the due date for the payment is after the closing date of the statement. Regular administrative overhead does not include contracts for services such as accounting, legal services, campaign consulting, and public relations.

### Information Required

Itemize each payment or accrued expense of \$100 or more to a single payee, and any payments totaling \$100 or more for a single product or service made during the period.

If the committee has entered into an agreement to make payments over time for a product or service, other than general administrative expenses such as rent and utilities, the unpaid balance may be reportable on Schedule F as an accrued expense.

### Payments for Online Communications

Additional expenditure reporting is required when a committee pays a person to provide favorable or unfavorable content about a candidate or ballot measure on an Internet site other than the committee's own website. The committee must specifically describe amounts the committee paid to provide favorable or unfavorable content on a candidate or ballot measure by:

- Providing such content for or posting on a website or blog, whether one's own or another's.
- Providing such content for or posting on a social media platform.
- Providing such video content for posting online.

Content means that which is offered on a website or other digital platform in writing, picture, video, photograph or other similar format.

**Ex 8.10** - On June 15, your committee received two bills for June services. One bill was from the restaurant where your committee held a fundraiser and the other was for office rent. The due date for both invoices is July 15. If, on June 30, the committee has not paid the two bills, the bill from the restaurant is reported on Schedule F as an accrued expense on your semi-annual statement. Since the rent bill is a regular administrative overhead expense, it does not need to be reported as an accrued expense.

Payments made to an individual, either directly or through a third party, must be reported on Schedule E or F using the code "WEB." In addition, the following information must be included: the amount of the payment, the payee, the name of the individual providing content, and the name of the website or the URL on which the communication is published in the first instance. The committee is not required to know where the content is shared or passed on to after the initial post. The additional reporting is not required if the fact that the campaign paid for the content is posted in a clearly conspicuous manner with the posted content. (See Regulation 18421.5 for additional information.)

### **Savings Accounts/Certificates of Deposit/Money Market Accounts**

Do not report on Schedule E the transfer of campaign funds into a savings account, certificate of deposit, money market account, or the purchase of any other asset that can be readily converted to cash. Report these amounts as cash on hand on the Summary Page, Line 16.

### **Transfers**

If a candidate controlled committee transfers funds to another committee controlled by the candidate, the transfer is reported on Schedule E. The receiving committee reports the transfer on Schedule I (Miscellaneous Increases to Cash). There are restrictions on transfers of surplus funds (see Chapter 5) and on transfers of funds to run for state office. (See Campaign Disclosure Manual 1 for State Candidates.)

### **Contributions and Independent Expenditures**

If the committee makes contributions and/or independent expenditures to support or oppose other candidates, officeholders, or committees, in addition to reporting the payments or accrued expenses on Schedule E or F, they must also be reported on Schedule D. For payments made for goods or services that are nonmonetary contributions or independent expenditures, also identify the candidate, committee, or ballot measure supported or opposed by the expenditure in the "Description of Payment" column on Schedule E or F.

When a primarily formed committee makes a payment for a communication that expressly advocates support for or opposition to the candidate for whom the committee is formed, the payment is reported as a contribution or independent expenditure. As discussed in Chapter 6, the determination is based on whether the payment was made at the behest of the candidate. If the payment is an independent expenditure, additional forms, such as the Verification of Independent Expenditures (Form 462) and the 24-hour Independent Expenditure Report (Form 496), may be required. (See Chapter 10 for additional information.)

If a primarily formed committee makes payments for contributions or independent expenditures to support or oppose **other** candidates, officeholders, committees, or ballot measures, it may qualify as a different type of committee (i.e., a general purpose committee), which has different reporting obligations. Contact the FPPC for assistance.

### **Subvendor Payments (often reported on Schedule G)**

When an agent or independent contractor (such as a campaign worker, consulting firm, or advertising agency) makes an expenditure, or incurs a debt, of \$500 or more on behalf of the committee, the expenditure must be reported in the same detail as if it had been made directly by the committee. These are commonly known as “subvendor payments.” The committee must also obtain and keep receipts, invoices, and other documentation for subvendor payments. (See Chapter 2.)

Examples of subvendor payments that must be itemized include:

- Development of campaign strategy;
- Media placements – television, radio, cable, digital (specifically listing the TV or radio stations);
- Commissions paid to media firms for media placements;
- Travel expenses, such as a commercial airline or hotel paid \$500 or more;

- Print or online advertisements;
- Polling and survey research;
- Talent and media services, production costs;
- Voter canvas program, including individuals paid \$500 or more;
- Robocalls;
- Printing and literature; and
- Design or management of campaign literature or advertising.

**Quick Tip**

Payments made to subvendors may be itemized on Schedule E or Schedule G. Accrued expenses owed to a subvendor are reported on Schedule F.

Generally, agents and independent contractors must provide the committee with the required payment information no later than **three working days** prior to the deadline for filing the campaign statement; however, an expenditure of \$1,000 or more made for a contribution or independent expenditure in the 90 days before an election, including the date of the election, must be reported to the committee **within 24 hours**. Expenditures made by the agent or independent contractor for its own overhead and operating expenses need not be itemized.

In many cases, funds paid to an agent or independent contractor in one reporting period will not be used by the agent or contractor until a subsequent reporting period. Payments to an agent or contractor are reported on Schedule E of the campaign statement covering the period in which the payments are made. When the agent or contractor spends the money, subvendor payments are reported on the campaign statement covering the period in which the expenditures are made. Payments of \$500 or more must be itemized.

Subvendor payments are most commonly reported on Schedule G, but may be reported on Schedule E or F along with the payment made or owed to the agent or contractor. When itemizing subvendor payments on Schedule E or F, do not include the payments in the "Amount Paid" column, as this will inflate expenditure totals.

**Ex 8.11** - An agent purchased \$535 worth of flowers, \$250 worth of postage, and \$100 worth of balloons for a fundraiser. Itemize the agent on Schedule E (or Schedule F if the agent was not reimbursed during the reporting period). Provide the agent's name and address, a code or a description of the expenditures, and the amount being reimbursed (\$885). In addition, since the payment to the florist was \$500 or more, the florist must also be itemized. Provide the name and address of the florist, a code or description of the expenditure, and the amount paid to the florist (\$535).

## Credit Card Payments

When reporting payments to a credit card company, provide the name, street address, city, state, zip code, and the amount of payment. In addition, provide the name, street address, city, state, and zip code of any vendor that received \$100 or more, the amount paid to each itemized vendor, and a code or description of the payment.

If a payment has not been made on the credit card by the end of the reporting period, or only partial payment has been made, report the amount outstanding to the credit card company on Schedule F. Payments to the credit card company should be reflected on Schedule E when payments are made and Schedule F when there is a balance still owing at the end of the reporting period. Vendors are not required to be listed more than one time, on either Schedule E or Schedule F. Schedule G may also be used to disclose vendors.

## Contingency Payments

If the committee has entered into an agreement to pay a contingency fee, such as a bonus to a consultant if the campaign is successful, report the fee amount on Schedule F only if it is outstanding at the end of the campaign. The fee is not required to be reported as an accrued expense until it is due.

## Reimbursements – Candidates

Candidates may not use their personal funds for campaign expenses (except for filing and ballot statement fees) without first depositing them into the campaign bank account.

## Reimbursements – Volunteers, Employees, Agents and Contractors

Volunteers (including a candidate's spouse), employees, and agents or independent contractors (e.g., a consultant or an advertising agent), may be reimbursed for goods, services, or travel expenses when the following criteria are met:

- The treasurer is provided with a dated receipt and a written description of each expenditure prior to reimbursement;

**Ex 8.12** - Sandra's committee for city council used the campaign credit card on December 28 at two different vendors to purchase office supplies and to have invitations to a fundraiser printed. The printing job cost \$560, while the office supplies were under \$100. Since the committee did not make a payment on the credit card by December 31, the end of the reporting period, the amount owed is reported on Schedule F. In addition to the total amount owed to the financial institution that issued the credit card, the committee also itemizes the printer, since the amount owed is \$100 or more. The committee will report payments it makes to the financial institution, but does not reitemize any vendors.

- The reimbursement is paid within 45 calendar days after the expenditure is made; and
- There is a written contract between the committee and the agent or independent contractor providing for the reimbursement of expenditures. (Volunteers and employees do not need a written contract.)

If the reimbursement does not occur within 45 calendar days, the expenditure is considered a nonmonetary contribution from the volunteer, paid employee, agent or independent contractor, unless the person seeking reimbursement has made a good faith effort to obtain reimbursement and is unable to collect from the committee.

### **Reimbursements – Officeholders**

Officeholders may be reimbursed for expenses related to holding office paid for from personal funds when the following criteria are met.

- The expenditures are not campaign expenditures;
- The committee's treasurer is provided with a dated receipt and a written description of the expenditure; and
- Reimbursement occurs:
  - For a monetary expenditure: Within 90 calendar days after the officeholder incurs the expense.
  - For a credit card or charge account: Within 90 calendar days of the end of the billing period.

If the reimbursement does not occur within the 90-day period, the amount must be reported as a nonmonetary contribution from the officeholder to the committee and no reimbursement may occur.

An officeholder may be reimbursed from either the controlled committee campaign bank account established for election to the incumbent term of office, or from a controlled committee bank account established for a different election to the same office, if all of the conditions above are met. When reporting reimbursements to the officeholder, subvendor payments of \$100 or more must be itemized.

## Expenditures Made for Gifts, Meals, and Travel Payments

A candidate controlled committee that makes an expenditure of \$100 or more for a gift, meal, or travel must further explain the expenditure in the "Description of Payment" column as described below. The explanation must be provided even if an expenditure code is used.

**Gifts:** When reporting an itemized expenditure for a gift, the committee must briefly describe the political, legislative, or governmental purpose of the expenditure. In addition, the committee must provide the date of the gift and a description of the gift. If the gift was made to an individual recipient, the name of the recipient must be included. If a gift was made to a group of recipients, the name of each recipient who received a benefit of \$50 or more is required. When the recipient of a gift with a value of \$50 or more is not known at the time the payment is required to be reported, the committee must report that the gift was for an "undetermined recipient." Once the gift has been given to the recipient, the campaign statement must be amended within 45 calendar days to disclose the name of the recipient.

**Meals:** When reporting an itemized expenditure for a meal (other than a meal reported as an itemized expenditure for travel, as discussed below), the committee must briefly describe the political, legislative, or governmental purpose of the expenditure. In addition, the committee must provide the date of the meal, the number of individuals who were present at the meal, and whether the candidate, a member of his or her household, or an individual with authority to approve expenditures of campaign funds was present at the meal. It is not necessary to include the names of individual attendees on the report. However, the names of the attendees must be maintained in the committee's records. (See Chapter 2.)

**Ex 8.13** -The mayor's election committee purchased \$50 restaurant gift certificates for two volunteer campaign workers. On Schedule E, the payment must be itemized. In the "Description of Payment" column, the following would adequately describe the payment: "12/5/XX – gift certificates for campaign workers, Linda Davis (\$50), and Richard Bailey (\$50)."

**Ex 8.14** -The committee's controlling candidate and campaign manager discuss the election campaign during a lunch meeting at a restaurant. The meal was charged to the campaign credit card. On Schedule E, the payment to the credit card company and the restaurant must be itemized. In the "Description of Payment" column, the following would adequately describe the payment: "9/1/XX – Lunch meeting regarding campaign attended by campaign manager and candidate."

**Travel Payments:** When reporting an itemized expenditure for travel, including lodging and meals, the committee must briefly describe the political, legislative, or governmental purpose of the expenditure. In addition, the committee must also provide the date or dates of the travel, the destination, and the goods or services purchased. The description must also include the number of individuals for whom the payment was made and whether the trip included the candidate, a member of his or her household, or an individual with the authority to approve expenditures of campaign funds. The names of individuals who traveled are not required to be disclosed on the report. However, the names of the travelers must be maintained in the committee's records. (See Chapter 2.)

**Ex 8.15** - A San Diego elected officeholder attended a fundraiser in Sacramento for a state ballot measure committee. The officeholder's committee paid for the travel expenses. On Schedule E, the payment to the airline must be itemized. In the "Description of Payment" column, the following would adequately describe the payment: "8/1/XX and 8/3/XX - Round trip airfare to Sacramento for officeholder to attend ballot measure committee fundraiser."

**Schedule E  
Payments Made**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

Statement covers period from <u>7/1/XX</u> through <u>12/31/XX</u>	<b>CALIFORNIA FORM 460</b>
Page <u>XX</u> of <u>XX</u>	I.D. NUMBER 12344XX

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER

Manuel Alvarez for Mayor 20XX

**CODES:** If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment.

CMP campaign paraphernalia/misc.	MBR member communications	RAD radio airtime and production costs
CNS campaign consultants	MTG meetings and appearances	RFD returned contributions
CTB contribution (explain nonmonetary)*	OCF office expenses	SAL campaign workers' salaries
CVC civic donations	PET petition circulating	TEL t.v. or cable airtime and production costs
FIL candidate filing/ballot fees	PHO phone banks	TRC candidate travel, lodging, and meals
FND fundraising events	POL polling and survey research	TRS staff/spouse travel, lodging, and meals
IND independent expenditure supporting/opposing others (explain)*	POS postage, delivery and messenger services	TSF transfer between committees of the same candidate/sponsor
LEG legal defense	PRO professional services (legal, accounting)	VOT voter registration
LIT campaign literature and mailings	PRT print ads	WEB information technology costs (internet, e-mail)

1	2	3
NAME AND ADDRESS OF PAYEE (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CODE OR	DESCRIPTION OF PAYMENT
Del Norte County Bank (Visa) 8995 Pine Street, Crescent City, CA 95531		
Subvendor: Mailings and More \$14,500 855 Redwood Street, Oakmont, CA 95443	LIT	
Lam and Pettit Consultants 2720 P Street Crescent City, CA 95531	PRO	See Schedule G for subvendors
		AMOUNT PAID
		\$15,000
		\$20,000

\* Payments that are contributions or independent expenditures must also be summarized on Schedule D.

**SUBTOTAL \$ 35,000**

4 Schedule E Summary	
1. Itemized payments made this period. (Include all Schedule E subtotals.)	\$ 37,200
2. Unitemized payments made this period of under \$100	\$ 3,500
3. Total interest paid this period on loans. (Enter amount from Schedule B, Part 1, Column (e).)	\$ 250
4. Total payments made this period. (Add Lines 1, 2, and 3. Enter here and on the Summary Page, Column A, Line 6.)	<b>TOTAL \$ 40,950</b>

**Schedule E  
(Continuation Sheet)  
Payments Made**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

Statement covers period from <u>7/1/XX</u> through <u>12/31/XX</u>	<b>CALIFORNIA FORM 460</b>
Page <u>XX</u> of <u>XX</u>	I.D. NUMBER 12344XX

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER

Manuel Alvarez for Mayor 20XX

**CODES:** If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment.

CMP campaign paraphernalia/misc.	MBR member communications	RAD radio airtime and production costs
CNS campaign consultants	MTG meetings and appearances	RFD returned contributions
CTB contribution (explain nonmonetary)*	OCF office expenses	SAL campaign workers' salaries
CVC civic donations	PET petition circulating	TEL t.v. or cable airtime and production costs
FIL candidate filing/ballot fees	PHO phone banks	TRC candidate travel, lodging, and meals
FND fundraising events	POL polling and survey research	TRS staff/spouse travel, lodging, and meals
IND independent expenditure supporting/opposing others (explain)*	POS postage, delivery and messenger services	TSF transfer between committees of the same candidate/sponsor
LEG legal defense	PRO professional services (legal, accounting)	VOT voter registration
LIT campaign literature and mailings	PRT print ads	WEB information technology costs (internet, e-mail)

NAME AND ADDRESS OF PAYEE (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CODE OR	DESCRIPTION OF PAYMENT	AMOUNT PAID
Del Norte County Independent Central Committee (ID 11852XX) 18885 Ocean Blvd. Crescent City, CA 95531	CTB		\$500
Manuel Alvarez 4245 McDow Street Oakmont, CA 95443		Reimbursement of filing fee	\$1,500
Nelson Legal Group, LLC 4950 Professional Blvd. Crescent City, CA 95531	PRO	/	\$200

## M. Completing the Form 460 Schedule E (Payments Made)

### 1 Name and Address of Payee

Itemize each payment of \$100 or more made to a single payee during the reporting period, and any payments totaling \$100 or more made during the period for a single product of service. Include the name, street address, city, state, and zip code of the payee. Do not use a post office box number when reporting the address of a payee or creditor.

### 2 Code or Description of Payment

When itemizing payments, provide either a code or a description of the payment. Expenditure codes are explained in detail in the Form 460, Schedule E instructions. If none of the codes listed on Schedule E fully explains the expenditure, leave the code column blank and provide a brief description of the goods or services purchased.

If several expenditures are made to one vendor during the same reporting period, all of the payments to the vendor may be reported in a single record. When coding the expenditures, use the code that represents the largest share of the expenditures, and the description field for the other codes or a description. Alternatively, each expenditure may be reported separately by category.

For expenditures that are nonmonetary contributions or independent expenditures, provide the applicable code ("CTB" or "IND") and disclose the name of the candidate or committee that received the contribution, or the name of the candidate or ballot measure supported or opposed by the independent expenditure. Also include a brief description of the contribution or independent expenditure. These expenditures must also be disclosed on Schedule D.

#### Quick Tip

The spouse or registered domestic partner of an elected officer or a candidate for elective office may not receive, in exchange for any services rendered, compensation from campaign funds held by a controlled committee of the officer or candidate.

#### Quick Tip

Campaign funds may be used only for certain types of legal payments. See Chapter 5 for information about the permissible uses of campaign funds.

### **3** Amount Paid

Enter the total amount paid to the payee during the reporting period.

#### **Payment of Accrued Expenses**

When paying for accrued expenses previously reported on Schedule F, report all payments on Schedule E, itemizing each payment of \$100 or more. Subvendor information does not need to be reitemized if it was disclosed on Schedule F of a previous statement.

### **4** Schedule E Summary

Complete the Schedule E Summary by entering the total amount of itemized payments of \$100 or more (Line 1) and the total amount of unitemized payments of less than \$100 (Line 2). If the committee is paying interest on loans, enter the amount from Schedule B, Part 1, Column (e) on Line 3. The total amount of all payments made is entered on Line 4. The amount on Line 4 is carried forward to the overall Summary Page, Column A, Line 6.

**Schedule F  
Accrued Expenses (Unpaid Bills)**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

Statement covers period from <u>7/1/XX</u>	<b>CALIFORNIA FORM 460</b>
through <u>12/31/XX</u>	
Page <u>XX</u> of <u>XX</u>	I.D. NUMBER 12344XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER  
Manuel Alvarez for Mayor 20XX

**CODES:** If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment.

<b>OMP</b> campaign paraphernalia/misc.	<b>MBR</b> member communications	<b>RAD</b> radio airtime and production costs
<b>CNS</b> campaign consultants	<b>MTG</b> meetings and appearances	<b>RFD</b> returned contributions
<b>CTB</b> contribution (explain nonmonetary)*	<b>OFC</b> office expenses	<b>SAL</b> campaign workers' salaries
<b>CVC</b> civic donations	<b>PET</b> petition circulating	<b>TEL</b> t.v. or cable airtime and production costs
<b>FL</b> candidate filing/ballot fees	<b>PHO</b> phone banks	<b>TRC</b> candidate travel, lodging, and meals
<b>FND</b> fundraising events	<b>POL</b> polling and survey research	<b>TRS</b> staff/spouse travel, lodging, and meals
<b>IND</b> independent expenditure supporting/opposing others (explain)*	<b>POS</b> postage, delivery and messenger services	<b>TSF</b> transfer between committees of the same candidate/sponsor
<b>LEG</b> legal defense	<b>PRO</b> professional services (legal, accounting)	<b>VOT</b> voter registration
<b>LT</b> campaign literature and mailings	<b>PRT</b> print ads	<b>WEB</b> information technology costs (internet, e-mail)

1 NAME AND ADDRESS OF CREDITOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	2 CODE OR DESCRIPTION OF PAYMENT	3 (a) OUTSTANDING BALANCE BEGINNING OF THIS PERIOD	(b) AMOUNT INCURRED THIS PERIOD	(c) AMOUNT PAID THIS PERIOD (ALSO REPORT ON E)	(d) OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD	
Nelson Legal Group, LLC 4950 Professional Blvd. Crescent City, CA 95531	PRO	\$2,000	-0-	\$200	\$1,800	
Tri Cities Bank (Mastercard) 9650 Main Street Crescent City, CA 95531		-0-	\$1,750	-0-	\$1,750	
Subvendor: Home Depot \$750 750 Industrial Way, Oakmont, CA 95443	CMP					
		<b>SUBTOTALS \$</b>	<b>2,000 \$</b>	<b>1,750 \$</b>	<b>200 \$</b>	<b>3,550</b>

\* Payments that are contributions or independent expenditures must also be summarized on Schedule D.

<b>4</b>	<b>Schedule F Summary</b>	
1. Total accrued expenses incurred this period. (Include all Schedule F, Column (b) subtotals for accrued expenses of \$100 or more, plus total unitemized accrued expenses under \$100.)	<b>INCURRED TOTALS \$</b>	1,750
2. Total accrued expenses paid this period. (Include all Schedule F, Column (c) subtotals for payments on accrued expenses of \$100 or more, plus total unitemized payments on accrued expenses under \$100.)	<b>PAID TOTALS \$</b>	200
3. Net change this period. (Subtract Line 2 from Line 1. Enter the difference here and on the Summary Page, Column A, Line 9.)	<b>NET \$</b>	1,550

FPPC Form 460 (January/05)  
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

**N. Completing the Form 460 Schedule F – Accrued Expenses (Unpaid Bills)**

**1 Name and Address of Creditor**

Itemize each accrued expense of \$100 or more owed to a single creditor. Provide the name, street address, city, state, and zip code of the creditor. Do not use post office box numbers. Continue to list an unpaid bill until it is paid off.

**2 Code or Description of Payment**

When itemizing accrued expenses, provide either a code or a description of the outstanding payment. Expenditure codes are

explained in detail in the Form 460, Schedule E instructions. If none of the codes listed on Schedule F fully explains the outstanding payment, leave the code column blank and provide a brief description of the goods or services.

If several accrued expenses are owed to one vendor during the same reporting period, all of the accrued expenses to the vendor may be reported in a single record. The code that represents the largest share of the accrued expenses should be used, and the description field may be used for other codes or descriptions. Alternatively, each accrued expense may be reported separately by category.

For accrued expenses in connection with nonmonetary contributions or independent expenditures, provide the applicable code (“CTB” or “IND”) and disclose the name of the candidate or committee that received the contribution, or the name of the candidate or ballot measure supported or opposed by the independent expenditure. Also include a brief description of the contribution or independent expenditure. **These expenditures also must be disclosed on Schedule D.**

### **3 Amount Columns**

For each itemized accrued expense, report any outstanding balance remaining for the accrued expense from the previous period in column (a), the amount of new accrued expenses incurred this period in column (b), the amount paid this period in column (c), and any outstanding balance at the close of the period in column (d).

When payments on accrued expenses are made, in addition to itemizing payments of \$100 or more on Schedule F, **itemize the payments on Schedule E.** Include unitemized payments on accrued expenses on Line 2 of the summary section of Schedule E.

### **Estimating Accrued Expenses**

If the exact amount of a debt or obligation is unknown, an estimate may be reported. When the committee is made aware of the exact amount, the committee must 1) amend the statement on which the estimated amount was reported; or 2) make an adjustment on the next

campaign statement by showing the difference between the estimated amount and the actual amount in column (b), "Amount Incurred This Period." If the actual amount is less than the estimate, the amount listed in column (b) should be a negative number and subtracted from the totals. When reporting estimated amounts or corrections to estimated amounts, note that fact on the campaign statement.

### Forgiven Accrued Expenses or Third Party Payments

If a creditor reduces or forgives a debt previously reported on Schedule F, or if another person pays a debt for the committee:

- Indicate that the debt was forgiven, reduced, or paid by a third party and enter "See Schedule C" in the "Description of Payment" column. Also report the creditor or payor and the amount as a nonmonetary contribution on Schedule C.
- Report the amount forgiven, reduced, or paid by a third party in the "Amount Paid This Period" column and indicate that it was a forgiveness or third party payment **or** report the amount as a negative number in the "Amount Incurred This Period" column. Do not report the amount on Schedule E.

If the decision to forgive or reduce the debt is based on a bona fide business judgment that all or part of the debt is uncollectible, the creditor may not be making a contribution. Contact the FPPC for assistance.

## 4 Schedule F Summary

Complete the Schedule F Summary by entering the total amount of accrued expenses **incurred** on Line 1 and the total amount of accrued expenses **paid** on Line 2. Subtract Line 2 from Line 1 and enter the difference (net change this period) on Line 3. The amount on Line 3 will be a negative amount when the accrued expenses paid are more than the amount of new accrued expenses. The amount on Line 3 is carried forward to the overall Summary Page, Column A, Line 9.

**Ex 8.16** - On its second preelection statement, the committee's treasurer reported an estimated accrued expense of \$5,000 owed to ABC Printing. An invoice was received during the next reporting period showing the actual amount owed as \$4,500. On Schedule F, column (a) of its next statement, the committee will report an outstanding accrued expense of \$5,000. In column (b), the amount incurred this period will be a negative \$500. The committee paid the entire bill and therefore will report \$4,500 as the amount paid this period in column (c), with a zero balance in column (d).

## **Outstanding Accrued Expenses (Summary Page, Column B, Line 9)**

Accrued expenses are carried forward on future statements until they are paid off. To determine the amount for Column B, Line 9 of the overall Summary Page, add the amount from Column A, Line 9 of the current statement to the amount of Column B, Line 9 of the previous statement. If the amount in Column A, Line 9 is a negative number, subtract it from the amount in Column B, Line 9 of the previous statement.

### **Answering Your Accrued Expenses Questions**

#### **A. When are unpaid bills reportable as accrued expenses?**

The basic rule is that you must report an accrued expense any time you have received goods or services but have not paid for them by the end of the reporting period.

#### **B. What if our committee has not received an invoice from the vendor yet?**

If you have received the goods or services, you must report the accrued expense on Schedule F even if you have not received an invoice. If you do not know the actual amount, you may report an estimate. Once the committee is made aware of the actual amount, the committee must either amend the statement on which the estimated amount was reported or make an adjustment on the next campaign statement by showing the difference between the estimated amount and the actual amount. When reporting estimated amounts or corrections to estimated amounts, note that fact on Schedule F.

**C. We have a contract to pay our campaign consultant \$1,000 per month. If the closing date of the campaign statement falls during the middle of the month, for example March 17, must we report an accrued expense for the period of March 1 through March 17?**

No. When you have agreed in writing to pay a contractor a set amount at regular intervals, it is not necessary to prorate the amount owed to the contractor if the reporting period closes before the end of the contract period. The payment will be reported on the campaign statement for the period in which the payment is made.

**D. When an accrued expense is owed and there are subvendor payments, when are the subvendors reported? For example, if we report an accrued expense owed on a credit card and list the subvendors, must we reitemize the subvendors again on Schedules E and F when the accrued expense is paid?**

No. It is not necessary to reitemize subvendors when payments are made on accrued expenses, or if an accrued expense is reported on more than one statement. In this example, the subvendors must be reported on the first statement disclosing the accrued expense owed to the credit card company. On subsequent statements, only the credit card company must be itemized.

**E. Prior to attending an FPPC webinar and learning that it was not permitted, I used personal funds to pay for some of my campaign expenses before I opened a campaign bank account. How do I report these expenditures on the Form 460?**

So that the activity is properly disclosed, you may report the amount of personal funds used on Schedule C as nonmonetary contributions (itemize purchases of \$100 or more). If you wish to be reimbursed by the committee, you may report the amount on Schedule F as an accrued expense. If you have already been reimbursed by the committee, you will report the amount on Schedule E as an expenditure. Non-disclosure of the payments is a violation of the Act. All future payments must be made from the campaign bank account; personal funds must be deposited into the account before making expenditures.

### **O. General Rules for Reporting Payments Made by an Agent or Independent Contractor on Schedule G**

Schedule G is used to report payments made by agents (such as campaign workers) and independent contractors (such as consulting firms or advertising agencies) on behalf of the committee. This schedule may be used in lieu of itemizing these amounts on Schedule E or F. See the general rules for Schedules E and F for additional information.

Schedule G may be completed by the committee from information provided by the agent or independent contractor or it may be completed by the agent or independent contractor. Agents and independent contractors must provide the committee with the required payment information **no later than three working days prior to the filing deadline** of the campaign statement. If an agent or independent contractor makes an expenditure of \$1,000 or more for a contribution or independent expenditure in the 90 days before an election, including the date of the election, they must provide the committee with the required payment information **within 24 hours**.

**Schedule G**  
**Payments Made by an Agent or Independent Contractor (on Behalf of This Committee)**

Type or print in ink.  
 Amounts may be rounded to whole dollars.

SCHEDULE G

Statement covers period from <u>7/1/XX</u>	<b>CALIFORNIA FORM 460</b>
through <u>12/31/XX</u>	
Page <u>XX</u> of <u>XX</u>	I.D. NUMBER 12344XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER Manuel Alvarez for Mayor 20XX
NAME OF AGENT OR INDEPENDENT CONTRACTOR Lam and Pettit Consultants

**CODES:** If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment.

CMF campaign paraphernalia/misc.	MBR member communications	RAD radio airtime and production costs
CNS campaign consultants	MTG meetings and appearances	RFD returned contributions
CTB contribution (explain nonmonetary)*	OFC office expenses	SAL campaign workers' salaries
CVC civic donations	PET petition circulating	TEL t.v. or cable airtime and production costs
FIL candidate filing/ballot fees	PHO phone banks	TRC candidate travel, lodging, and meals
FND fundraising events	POL polling and survey research	TRS staff/spouse travel, lodging, and meals
IND independent expenditure supporting/opposing others (explain)*	POS postage, delivery and messenger services	TSF transfer between committees of the same candidate/sponsor
LEG legal defense	PRO professional services (legal, accounting)	VOT voter registration
UT campaign literature and mailings	PRT print ads	WEB information technology costs (internet, e-mail)

\* Payments that are contributions or independent expenditures must also be summarized on Schedule D.

1 NAME AND ADDRESS OF PAYEE OR CREDITOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	2 CODE OR	DESCRIPTION OF PAYMENT	3 AMOUNT PAID
KXTL Radio 5656 Westside Way Oakmont, CA 95443	RAD		\$2,000
Good Day Oakmont 2620 H Street Oakmont, CA 95443	TEL		\$7,000
Northwest Airlines 2500 Crosby Circle Chicago, IL 60606	TRC	10/15/XX: Sacramento, Airfare to Attend Meeting (1, Consultant)	\$155
Albino's Italian Eats 1325 Sicily Street Oakmont, CA 95443	MTG	7/10/XX: Committee Staff Meeting (4, Candidate and Treasurer)	\$125
<b>TOTAL* \$</b>			<b>9,280</b>

Attach additional information on appropriately labeled continuation sheets.

\* Do not transfer to any other schedule or to the Summary Page. This total may not equal the amount paid to the agent or independent contractor as reported on Schedule E.

FPPC Form 460 (January/05)  
 FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

**P. Completing Form 460 Schedule G (Payments Made by an Agent or Independent Contractor)**

**1 Name and Address of Payee or Creditor**

Itemize each payment of \$500 or more made by the agent or independent contractor. Provide the name, street address, city, state, and zip code of the payee or creditor. Do not use a post office box number.

**2 Code or Description of Payment**

When itemizing each payment, provide either a code or a description of the payment. If none of the codes listed on Schedule G fully

explains the payment, leave the code column blank and provide a brief description of the payment. Payments that are contributions or independent expenditures must also be reported on Schedule D.

### 3 Amount Paid

Enter the total amount paid to the payee during the reporting period.

**Schedule G totals are not transferred to any other schedule or to the Summary Page.**

## Q. General Rules for Reporting Loans Made to Others on Schedule H

Schedule H is used to report loans made by the committee. Except for committees controlled by a candidate for state elective office, campaign funds may be used to make loans to other political committees. (Loans to state candidate committees are subject to limits.)

Campaign funds may also be used to make loans to bona fide charitable, educational, civic, religious, or similar tax-exempt, nonprofit organizations, so long as the loan does not personally benefit the officeholder, candidate, committee treasurer, or any individual with authority to approve the expenditure of campaign funds, or any such person's immediate family member. The loan must be reasonably related to a political, legislative, or governmental purpose.

#### Quick Tip

Most local committees will not make loans to others. If there is nothing to report on Schedule H, the schedule does not need to be included with the Form 460. Simply enter a zero or the word "none" on Line 7 of the overall Summary Page.

#### Quick Tip

If a primarily formed committee makes contributions (including loans) to candidates, officeholders, or committees (other than to the candidate for which the committee is primarily formed), it may qualify as a different type of committee with different reporting obligations. Contact the FPPC for assistance.

**Schedule H  
Loans Made to Others\***

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

SCHEDULE H

Statement covers period from <u>7/1/XX</u>	<b>CALIFORNIA FORM 460</b>
through <u>12/31/XX</u>	Page <u>XX</u> of <u>XX</u>

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER

Manuel Alvarez for Mayor 20XX

FULL NAME, STREET ADDRESS AND ZIP CODE OF RECIPIENT (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		OUTSTANDING BALANCE BEGINNING THIS PERIOD	AMOUNT LOANED THIS PERIOD	REPAYMENT OR FORGIVENESS THIS PERIOD*	OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD	INTEREST RECEIVED	ORIGINAL AMOUNT OF LOAN	CUMULATIVE LOANS TO DATE
Committee for Bike Lanes in Oakmont, Yes on Measure E (ID 12456XX) 1500 D Street Oakmont, CA 95443		\$ -0-	\$ 1,000	<input type="checkbox"/> PAID \$ -0- <input type="checkbox"/> FORGIVEN \$ -0-	\$ 1,000  None DATE DUE	\$ 5 % RATE	\$ 1,000	\$ 1,000  N/A
		<b>SUBTOTALS</b>	<b>\$ 1,000</b>	<b>\$ -0-</b>	<b>\$ 1,000</b>	<b>\$ -0-</b>		

\*Loans that are contributions to another candidate or committee must also be summarized on Schedule D. Loans forgiven must also be reported on Schedule E.

(Enter (e) on Schedule J, Line 3)

**2 Schedule H Summary**

1. Loans made this period ..... (Total Column (b) plus unitemized loans of less than \$100.)	\$ 1,000	
2. Payments received on loans ..... (Total Column (c) plus unitemized payments of less than \$100.)	\$ -0-	**If Required
3. Net change this period. (Subtract Line 2 from Line 1.) ..... (Enter the net here and on the Summary Page, Column A, Line 7.)	<b>NET \$ 1,000</b>	(May be a negative number)

**R. Completing the Form 460 Schedule H (Loans Made to Others)**

**1 Recipient Information**

For each loan of \$100 or more that was made or outstanding during the reporting period, provide the recipient's full name and street address, including the zip code. If the recipient is an individual, provide the individual's occupation and the name of his or her employer. If the individual is self-employed, provide the name of his or her business.

**Loan Amounts**

**a Outstanding Balance Beginning This Period**

Enter the outstanding loan balance at the beginning of this reporting period (Column (d) of the last report filed). If the loan was received this period, Column (a) should be left blank.

**b Amount Loaned This Period**

Enter the amount loaned to the recipient during this reporting period. If the loan was made in a previous reporting period, Column (b) should be left blank.

**c Repayment or Forgiveness This Period**

Enter the amount of any reduction of the loan during this reporting period. Indicate whether the loan was paid or forgiven. If the committee forgives a loan, also report the transaction on Schedule E and, if the recipient of the loan is a candidate or committee, report the forgiveness as a contribution on Schedule D.

**d Outstanding Balance at Close of This Period**

Enter the outstanding balance of the loan at the close of this reporting period. Enter the due date, if any.

**e Interest Received**

Enter the interest rate and amount of interest received on the loan during this reporting period. Interest received is reported separately from payments received on the loan principal. Interest received is also transferred to the Schedule I Summary.

**f Original Amount of Loan**

Enter the original amount of the loan and the date it was made. If this is the first time the loan is being reported, this will be the same amount as reported in Column (b).

**g Cumulative Loans to Date**

For each loan that is a contribution, enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) made to the recipient during the calendar year covered by the statement. If the recipient is subject to state contribution limits, also enter the total amount contributed in connection with each election and identify the election year. Because loans are contributions, the total amount of contributions made to a state candidate's committee, including loans, may not exceed the applicable limit. (Loans to candidates or other committees must also be reported on Schedule D.)

## **2** Schedule H Summary

Complete the Schedule H Summary by entering the total amount of loans **made** on Line 1 and the total amount of loan payments **received** on Line 2. Subtract Line 2 from Line 1 and enter the difference (net change this period) on Line 3. The amount on Line 3 will be a negative amount when the loan payments received this period are more than the amount of new loans made. The amount on Line 3 is carried forward to the overall Summary Page, Column A, Line 7.

### **Outstanding Loans Made (Summary Page – Column B, Line 7)**

Loans made are carried forward on future statements until they are paid off. To determine the amount for Column B, Line 7 of the overall Summary Page, add the amount from Column A, Line 7 of this statement to the amount of Column B, Line 7 of the previous statement. If the amount in Column A, Line 7 is a negative number, subtract it from the amount in Column B, Line 7 of the previous statement.

## **S. General Rules for Reporting Miscellaneous Increases to Cash on Schedule I**

Schedule I is used to report increases to the committee's cash position that are not monetary contributions, loans, or repayments of loans made to others. Examples include:

- Proceeds, up to the fair market value, of items sold at a garage sale or auction.
- Contributions returned to the committee.
- Refunds received on deposits, such as a telephone or room rental deposit or from over-payment of bills.
- Interest received or credited to a checking or savings account or other time deposit.
- Interest payments received on loans made to others.
- Receipts from the sale of committee assets.

- Transfers of funds received by a controlled committee from another committee controlled by the same candidate. There are special rules for transferring funds to a committee for state office. (See Campaign Disclosure Manual 1.)

### Donated Items

When reporting sources who have purchased donated items (e.g., items sold at an auction), report the amount received, up to the fair market value, on Schedule I. Any amount in excess of the fair market value is reported as a contribution on Schedule A.

### Uncashed Checks

If the committee writes a check that is never deposited or negotiated, report the amount of the uncashed check on Schedule I.

### Decreases to Cash

All decreases to cash must be reported as expenditures on Schedule E or H.

**Ex 8.17** - A television was donated by Seaside TV Sales for your committee's auction. The television's fair market value was \$1,000. A person paid \$1,500 for the television. Report the purchaser information and report \$1,000 in the amount column of Schedule I. On Schedule A also report the purchaser as a contributor of \$500, the amount over the fair market value. Seaside will be reported as a contributor of \$1,000 on Schedule C for the nonmonetary contribution of the television.

**Schedule I  
Miscellaneous Increases to Cash**

Type or print in ink.  
Amounts may be rounded  
to whole dollars.

Statement covers period		SCHEDULE I	
from	7/1/XX	<b>CALIFORNIA FORM 460</b>	
through	12/31/XX	Page	XX of XX

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER

I.D. NUMBER  
12344XX

Manuel Alvarez for Mayor 20XX			
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
DATE RECEIVED	FULL NAME AND ADDRESS OF SOURCE (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	DESCRIPTION OF RECEIPT	AMOUNT OF INCREASE TO CASH
7/5/XX	Alvarez for City Council 20XX 225 Presley Street Oakmont, CA 95443	Transferred funds (ID 12257XX)	\$3,000

Attach additional information on appropriately labeled continuation sheets.

**SUBTOTAL \$ 3,000**

<b>5</b> Schedule I Summary	
1. Itemized increases to cash this period. ....	\$ 3,000
2. Unitemized increases to cash of under \$100 this period. ....	\$ -0-
3. Total of all interest received this period on loans made to others. (Schedule H, Column (e).) ....	\$ -0-
4. Total miscellaneous increases to cash this period. (Add Lines 1, 2, and 3. Enter here and on the Summary Page, Line 14.) .....	<b>TOTAL \$ 3,000</b>

FPPC Form 460 (January/05)  
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

**T. Completing the Form 460 Schedule I (Miscellaneous Increases to Cash)**

**1 Date Received**

Report the date the committee received the miscellaneous receipt.

**2 Source Information**

Itemize sources of \$100 or more. Provide the full name, street address, city, state, and zip code of the source. Post office box numbers are not acceptable.

**3 Description of Receipt**

Provide a description of the receipt (e.g., refund on room deposit for fundraiser, interest earned on loans made to others).

**4 Amount of Increase**

Enter the amount of the receipt.

## **5** Schedule I Summary

Complete the Schedule I Summary by entering the total amount of itemized increases to cash of \$100 or more on Line 1 and the total amount of unitemized increases to cash on Line 2. Enter the total of all interest received this period on loans made to others (from Schedule H, Column (e)) on Line 3. Add Lines 1, 2, and 3 to determine the total miscellaneous increases to cash this period and enter the amount on Line 4. The amount on Line 4 is carried forward to the overall Summary Page, Line 14.

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## **U. Amending the Form 460**

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To change or provide information missing from a previously filed Form 460, complete a new Cover Page and check the "Amendment" box under "Type of Statement." Also check the box indicating the type of statement being amended (e.g., semi-annual, preelection) and enter the period covered by the statement being amended. Provide a brief explanation of the reason for the amendment and attach the schedule(s) being amended, including the Summary Page, if applicable. The amendment is filed with each of the filing officers that received the original filing.

## Authority

The following Government Code sections and Title 2 regulations provide authority for the information in this chapter:

### Government Code Sections

- 81004 Reports and Statements; Perjury; Verification.
- 81004.5 Reports and Statements; Amendments.
- 82013 Committee.
- 82015 Contribution.
- 82018 Cumulative Amount.
- 82025 Expenditure.
- 82025.5 Fair Market Value.
- 82044 Payment.
- 84105 Notification of Contributors.
- 84203 Late Contribution; Reports.
- 84211 Contents of Campaign Statement.
- 84212 Forms; Loans.
- 84213 Candidate Verification.
- 84216 Loans.
- 84615 Campaign Reports and Statements – Electronic Filing for Local Agencies.
- 84216.5 Loans Made by a Candidate or Committee.
- 84302 Contributions by Intermediary or Agent.
- 84303 Expenditures by Agent or Independent Contractor.
- 84306 Contributions Received by Agents of Candidates and Committees.
- 85201 Campaign Bank Account.
- 85700 Donor Information Requirements; Return of Contributions.
- 89511.5 Use of Personal Funds for Incumbent Elected Officers.
- 89515 Use of Campaign Funds for Donations and Loans.

### Title 2 Regulations

- 18215 Contribution.
- 18215.1 Contributions; When Aggregated.
- 18216 Enforceable Promise to Make a Payment.
- 18225 Expenditure.

- 18421 Cash Equivalents.
- 18421.1 Disclosure of the Making and Receipt of Contributions.
- 18421.2 Street Address.
- 18421.3 Reporting of Contributions and Expenditures Collected by Contract Vendors or Collecting Agents.
- 18421.5 Reporting an Expenditure for Paid Online Communications.
- 18421.6 Reporting Accrued Expenses.
- 18421.7 Reporting an Expenditure for a Gift, a Meal or Travel.
- 18421.9 Reporting Expenditures Charged to a Credit, Debit or Charge Card by a Candidate or Committee.
- 18423 Payments for Personal Services as Contributions and Expenditures.
- 18427 Duties of Treasurers and Candidates with Respect to Campaign Statements.
- 18427.1 Notification to Contributors of Filing Obligations.
- 18428 Reporting of Contributions and Independent Expenditures Required to be Aggregated.
- 18431 Reporting of Expenditures by an Agent or Independent Contractor.
- 18432.5 Intermediary.
- 18526 Reimbursement of Expenditures.
- 18533 Contributions from Joint Checking Accounts.
- 18570 Return of Contributions with Insufficient Donor Information.

# WHEN AND WHERE TO FILE THE FORM 460

This chapter reviews when and where committees file the Recipient Committee Campaign Statement (Form 460). The Form 460 is the comprehensive report that discloses all receipts and expenditures of a committee. The Form 460 includes payments previously reported on forms such as the 24-Hour Contribution Report (Form 497). All reports and statements filed under the Political Reform Act are public records available for public inspection.

Candidates and officeholders who do not have an open committee during a calendar year are not required to file the Form 460, but may be required to file the Officeholder/Candidate Campaign Statement—Short Form (Form 470). Review Chapter 1 for information about the Form 470, including when and where to file.

Primarily formed committees that have minimal activity in a reporting period may be eligible to use the Recipient Committee Campaign Statement—Short Form (Form 450) or the Semi-Annual Statement of No Activity (Form 425) instead of the Form 460. These forms are filed at the same time and locations as the Form 460.

## A. General Information

**Filing Schedules:** The FPPC posts on its website filing schedules for specific election dates (i.e., June and November elections). In addition, county elections offices and city clerks often post filing schedules. Local candidates and committees should contact their local filing officer as some local jurisdictions may require filings in addition to what is required by the Political Reform Act.

The committee treasurer is responsible for meeting all applicable filing deadlines. Filing officers are not required to send reminder notices about upcoming deadlines; however, they are required to notify committees that have missed a filing deadline.

### Quick Tip

If the FPPC's website does not have a filing schedule for your specific election date, contact your local elections office for information about the filing deadlines.

**Deadlines:** Except where noted, statements filed on paper must be hand-delivered or postmarked and sent by first-class mail by the due date. Deadlines that fall on a Saturday, Sunday, or official state holiday are extended to the next business day; however, this extension does not apply to the 24-hour Contribution Reports (Form 497) required the weekend before an election. For example, if a committee receives a \$1,000 contribution on the Saturday before the election, the deadline is not extended to the next business day. The committee must file a Form 497 within 24 hours. There are no other provisions for extending a deadline.

**Late Fines:** A late filing penalty of up to \$10 per day may be assessed for each day the statement is late. The FPPC or a local filing officer cannot extend a filing deadline. A committee may request a waiver of late fines assessed by the local filing officer or the Secretary of State.

**Failure to File:** Filing officers must refer committees to the FPPC or another enforcement agency if a committee fails to file a campaign statement. Administrative penalties of up to \$5,000 per violation may be assessed. (See Government Code Section 83116.) Committees fined by the FPPC Enforcement Division are listed on the FPPC website.

## B. When to File

### Semi-Annual Statements

Most committees file a semi-annual statement for each half of the year, whether or not they receive contributions or make expenditures during the six-month period. An existing committee or a committee newly formed during the first six months of the year must file a semi-annual statement due on or before July 31 for the period covering January 1 through June 30.

Committees must also file a semi-annual statement due on or before January 31 of the following year for the period covering July 1 through December 31. The period covered for a committee newly formed during the last six months of the year will be January 1 through December 31.

**Ex 9.1** - A county supervisor has a controlled committee. The supervisor is not seeking reelection and the committee did not raise or spend any funds during the calendar year. The committee must file a semi-annual statement for the period covering January 1 through June 30, due on or before July 31, and a semi-annual statement for the period July 1 through December 31, due on or before January 31.

**Ex 9.2** - A primarily formed committee is formed in May to support a city council candidate in the November election. The committee must file a semi-annual statement for the period covering January 1 through June 30, due on or before July 31. In October, the committee must file the two required preelection statements (due dates and periods covered are listed on the filing schedule). The committee must continue to file semi-annual statements until it terminates.

## **Exception: Unpaid Elected Officeholders, Judges, and Judicial Candidates**

Unpaid officeholders (defined in the Act as those who receive less than \$200 per month for serving in office) and judges are not required to file semi-annual statements (i.e., Form 460 or Form 470) during any six-month period in which they have not received any contributions or made any expenditures.

To determine whether \$200 has been received, only the elected official's fixed compensation for services (i.e., salary) need be counted. Payments for health benefits, reimbursement of expenses (including travel expenses), or per diem received from the elected official's agency are not counted.

Non-incumbent judicial candidates that will not be listed on a ballot and incumbent judges that will not be listed on a ballot who do not receive any contributions or make any expenditures in a six-month period are not required to file the Form 460 or Form 470.

## **Preelection Statements**

In addition to semi-annual statements, candidate controlled committees and primarily formed committees must file two preelection statements before the election in which the candidate is listed on the ballot. For specific reporting periods and filing deadlines, refer to the filing schedules on the FPPC's website or contact the local filing officer. The second preelection statement must be filed by personal delivery or guaranteed overnight delivery.

## **Exception: Candidates Not on a Ballot**

A candidate who will not appear on the ballot because he or she is running unopposed is not required to file preelection statements. In addition, a candidate who withdraws from an election and will not be listed on the ballot is not required to file preelection statements.

### **Quick Tip**

Some local agencies require additional statements before and after an election. Local committees should contact the county elections office or city clerk to determine if additional statements are required. Local campaign ordinances are also posted on the FPPC website.

## Recall Elections – Quarterly Reports

A committee established by an officeholder who is the subject of a recall election must file campaign statements (Form 460) on a quarterly basis until the semi-annual period in which the recall election is held. The quarterly filing schedule is:

<b>Period Covered</b>	<b>Filing Deadline</b>
January 1 - March 31	April 30
April 1 - June 30	July 31
July 1 - September 30	October 31
October 1 - December 31	January 31

During the semi-annual period in which the recall election is held, the committee must file two preelection statements and a semi-annual statement on the schedule provided by the filing officer.

### Amendments

Except for amendments required to provide missing contributor information (see Chapter 2), there is no specified deadline for filing amendments to campaign statements. However, amendments should be filed as soon as practicable in the same location(s) as the original.

### Faxing and E-Mailing Statements

Campaign statements that contain 30 pages or less may be faxed or e-mailed (if the local filing officer will accept an e-mailed statement) provided that the transmitted copy of the campaign statement is the exact copy of the original version. The original statement (with an original signature) must be sent by first-class mail, guaranteed overnight delivery, or personal delivery within 24 hours of the filing deadline.

## C. Where to File

Candidates, candidate controlled committees, and primarily formed committees file statements based on the office sought by the candidate. The following chart summarizes the locations where campaign statements (i.e., Forms 450, 460, 470) are generally filed.

**Ex 9.3** - The local district attorney is the subject of a recall election being held in September. In March, he formed a separate committee to oppose the recall. The committee must file quarterly statements on April 30 and July 31. During the period covering July 1 through December 31, the committee must file two preelection statements in connection with the election, and a semi-annual statement for the period ending December 31, due on or before January 31 of the following year. After the January 31 filing, the committee will file semi-annual statements until it terminates.

Certain campaign activity may trigger reports that must be filed in another location (see Chapter 10.) An “original” campaign statement is one containing the original signature of the officeholder or candidate and/or the treasurer or assistant treasurer.

<b>Candidate/Officeholder/ Primarily Formed Committee</b>	<b>Where to File</b>	<b>What to File</b>
<b>City Offices</b>	City Clerk	Original and one copy
<b>County Offices</b>	County Elections Offices	Original and one copy
<b>Multi-County Offices</b> Local agencies with jurisdiction in more than one county	County with the largest number of registered voters in the jurisdiction County of Domicile, if different	Original and one copy  One copy
<b>Judges and Judicial Candidates</b>	<b>Electronic Filers</b> Secretary of State  <b>Non-Electronic Filers</b> Secretary of State County of Domicile	Electronically and one copy   Original and one copy One copy

### **Electronic Filing**

Judges and judicial candidates (including superior court judges and candidates) that have raised or spent \$25,000 or more must file electronically with the Secretary of State. The Act does not require other local candidates and committees to file electronically. Some local agencies may require that campaign statements be filed electronically pursuant to a local ordinance. In those jurisdictions, paper copies may not be required, but most committees must submit a paper copy with a “wet signature” to the filing officer.

### **Multiple Controlled Committees in Same Jurisdiction**

In general, a candidate or elected officer may only control one committee and one bank account per election under the Act’s one bank account rule. (See Chapter 1.) However, if a candidate or elected officer controls more than one committee in the same jurisdiction (i.e., different terms of the same elective office, officeholder account, legal defense fund, or ballot measure committee), each of the committees must file preelection statements on the dates the

candidate or elected officer is required to file in connection with his or her election. (See FPPC Regulation 18405.) This provides the voters with a complete summary of the contributions received and expenditures made by the candidate.

**Note:** A candidate's election committee is not required to file based on the ballot measure committee schedule if he or she is not also being voted on in the election.

### **Multiple Controlled Committees in Different Jurisdictions**

When an individual is simultaneously a candidate for elective state office and elective local office, or for elective office in two different local jurisdictions, he or she must file campaign statements for all committees he or she controls with both jurisdictions on the dates the candidate is required to file semi-annual and preelection statements. The original statement should be filed with the relevant jurisdiction and a copy with the other jurisdiction. If a local candidate or officeholder also controls a state committee that is required to file electronically, the local committee must file the Form 460 electronically with the Secretary of State each time the Form 460 is due for either committee.

**Ex 9.4** - A school board member has an open committee from the school board election. The school board member opens a committee to run for mayor in her city. As an incumbent school board member and a candidate for mayor, she must file campaign statements for both committees with both the county elections office and the city clerk. Preelection statements and semi-annual statements required to be filed in connection with the mayoral election are filed as follows:

- Mayoral Committee
  - City Clerk – Original and one copy
  - County Elections Office – One copy
- School Board Committee
  - County Elections Office – Original and one copy
  - City Clerk – One copy

**Ex 9.5** - A city council member has an open committee from the city council election. The council member opens a committee to run for State Assembly. Semi-annual and preelection statements required in connection with the State Assembly election are filed as follows:

- Assembly Committee
  - **Electronic Filers:** Secretary of State only – Electronically and one copy
  - **Non-Electronic Filers:** Secretary of State – Original and one copy
  - **Non-Electronic Filers:** City Clerk – One copy
- City Council Committee
  - City Clerk – Original and one copy
  - Secretary of State – One copy (the copy must be filed **electronically** if the Assembly Committee is an electronic filer)

An officeholder who does not have a controlled committee may file the Form 470 by July 31 for the position held. If the officeholder subsequently opens a committee to run for a different office, he or she must file the Form 460 for the required preelection and semi-annual statements. Since the Form 470 was filed in connection with a position for which the candidate does not have a committee, a Form 470 Supplement is not required. However, if the officeholder opens a committee prior to June 30 for election to a different office, the Form 460 must be filed by July 31 for both the position held and the office sought. The officeholder may file one Form 460 and list both the position held and the office sought on the Cover Page, Part 5.

## Answering Your Questions

- A. I am currently a city council member without a campaign committee. I intend to run for the board of supervisors in the November election and will open a committee in July for that race. When must I file the first Form 460?**

As a city council member, you must file a semi-annual statement for the period January 1 through June 30 on or before July 31. Since you do not have an open city council committee, you may file the Form 470 instead of the Form 460. By the first preelection deadline for the county election, file the Form 460 with the county elections officer, as well as a copy with the city clerk.

- B. In June, I was elected to the city council. After filing the semi-annual statement due on July 31, I paid off my remaining bills and terminated my committee in August by filing a terminating Form 410 and Form 460. I will not engage in any further campaign activities. Am I required to file another Form 460 by January 31 of the following year as a semi-annual statement?**

As an elected officer, you must file semi-annual statements each year. You may designate the Form 460 you file in August as a terminating statement and a semi-annual statement, covering the period through December 31. However, if you subsequently receive any contributions or make any expenditures through December 31, file an amendment to your statement no later than January 31 of the following year. If you receive \$200 or more in a calendar month for your elected position, you will be required to file the Form 470 by July 31 every year, even though you have terminated your committee.

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## Authority

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The following Government Code sections and Title 2 regulations provide authority for the information in this chapter:

### Government Code Sections

- 81004.5 Reports and Statements; Amendments.
- 81007 Mailing of Report or Statement.
- 81007.5 Faxing of Report or Statement.
- 81008 Public Records; Inspection; Reproduction; Time; Charges.
- 82027 Filing Officer.
- 83116 Violation of Title.
- 84200 Semi-Annual Statements.
- 84200.5 Preelection Statements.
- 84200.7 Time for Filing Preelection Statements for Elections Held in June or November of an Even-Numbered Year.
- 84200.8 Time for Filing Preelection Statements for Elections Not Held in June or November of an Even-Numbered Year.
- 84215 Campaign Reports and Statements; Where to File.
- 84605 Who Shall File Online.
- 84615 Electronic Filing for Local Agencies.
- 91013 Late Filing of Statement or Report; Fees.

### Title 2 Regulations

- 18110 Duties of Filing Officers – Campaign Statements.
- 18116 Reports and Statements; Filing Date.
- 18426 Semi-Annual Statement Early Filing.
- 18531.5 Recall Elections.

## ● ADDITIONAL REPORTS

In addition to the forms associated with starting a campaign (Forms 501 and 410) and the main campaign disclosure form (Form 460), there are several other forms that may be required, depending on the committee's activity. For example, most committees must file the 24-hour Contribution Report (Form 497).

Primarily formed committees making independent expenditures must file the independent expenditure reports discussed below. A candidate's controlled committee for his or her election will likely not be filing independent expenditure reports because it is making direct campaign expenditures for the candidate's election to office.

This chapter reviews the following special reports that may be required.

- 24-Hour Contribution Reports (Form 497)
- 24-Hour Independent Expenditure Reports (Form 496)
- Verification of Independent Expenditures (Form 462)
- Special Odd-Year Reports (Form 460)
- Paid Spokesperson Reports (Form 511)
- Reports of Communications Identifying State Candidates (Form E-530)

## FPPC Reporting Forms

Your Committee	File
<b>Receives Contributions:</b>	
Receives contributions totaling \$1,000 or more from a single source during the 90 days before the election or on the date of the election	Form 497
<b>Makes Independent Expenditures:</b>	
Makes independent expenditures of \$1,000 or more to support or oppose a single candidate or ballot measure during the 90 days before the candidate or measure's election or on the date of the election	Form 496
Makes independent expenditures of \$1,000 or more to support or oppose a single candidate or ballot measure	Form 462
<b>Makes Payments:</b>	
Makes contribution(s) totaling \$10,000 or more to <b>state</b> officeholders during the first or third quarter of an odd-numbered year	Form 460
Makes contributions totaling \$1,000 or more to another candidate or ballot measure committee during the 90 days before the candidate or measure's election or on the date of the election, or to a state or county political party committee during the 90 days before any state election or on the date of the election	Form 497
Makes expenditures for an individual to appear in a ballot measure advertisement	Form 511
Makes payments of \$50,000 or more to "feature" a <b>state</b> candidate within 45 days before the candidate's election	Form E-530

### A. 24-Hour Contribution Report (Form 497)

The 24-hour contribution report provides immediate reporting of contributions received or made near or on the election date. The Form 497 must be filed if a candidate controlled committee or a primarily formed committee:

- **Receives** contributions that total in the aggregate \$1,000 or more from a single source during the 90 days before the candidate's election, including the date of the election; or
- **Makes** contributions that total in the aggregate \$1,000 or more to a candidate or a committee primarily formed to support a candidate(s) or ballot measure(s) during the 90 days before the candidate's or measure's election, including the date of the election; or

#### Quick Tip

When aggregating contributions from a single source, monetary contributions, nonmonetary contributions, and loans are included.

- **Makes** contributions that total in the aggregate \$1,000 or more to a state or county political party committee during the 90 days before any state election, including the date of the election.

Contributions reported on the Form 497 must also be reported on the committee's next Form 460.

**Ex 10.1** - Thirty days before the candidate's election, the candidate's committee received a \$500 contribution. Four days later, the same person contributed \$600. The candidate's committee must file a Form 497 since \$1,000 or more was received from a single source during the 90-day period before the election. The same person must contribute another \$1,000 or more in order for a subsequent Form 497 to be required.

**Ex 10.2** - In June, the candidate's election committee for a November election received a contribution of \$2,000. The Form 497 is not required because it was not received during the 90-day period before the November election. In October, the same person made a contribution of \$600 to the candidate's committee. The Form 497 is not required until that person contributes \$1,000 or more in the 90 days before or on the date of the November election. Contributions received prior to the 90 days before the November election are not aggregated with contributions received during the 90-day period.

In some local elections, a candidate's name will not appear on a ballot if no other individual runs for that office. Following the determination by the elections official that the candidate's name will not appear on the ballot, the Form 497 is not required to be filed by the candidate even if the candidate's committee receives \$1,000 or more during the 90 days before the election, including the date of the election.

### When and Where to File the Form 497

The Form 497 must be filed **within 24 hours** of receiving or making contributions as described above. A contribution is received on the date the candidate, committee, or an agent of the committee obtains possession or control of the check or nonmonetary item that constitutes a contribution. (See Chapter 2.) A contribution is made on the date it is mailed, delivered, or otherwise transmitted. A committee that makes a nonmonetary contribution must notify the recipient of the contribution's value within 24 hours by personal delivery, fax, or guaranteed overnight delivery.

#### Quick Tip

Contributions reported on the Form 497 must also be disclosed on the committee's next regular campaign statement (Form 460 or Form 450).

#### Quick Tip

If a committee makes a nonmonetary contribution, it must notify the recipient of the contribution's value within 24 hours.

#### Quick Tip

The 90-day, 24-hour reporting period includes the date of the election.

**Exceptions:** The Form 497 must be filed **within 48 hours** of **receiving** a nonmonetary contribution.

Filing deadlines are extended to the next business day on Saturdays, Sundays, and official state holidays. However, the extension does not apply on the Saturday, Sunday, or an official state holiday immediately prior to an election. For example, a fundraiser held on a Friday evening results in several individuals making contributions of \$1,000 or more. Generally, the committee must file the Form 497 on the following Monday. However, if the fundraiser is held the Friday evening of the week before the election, the “next business day” deadline extension does not apply, so the Form 497 must be filed within 24 hours.

The Form 497 is filed in the same location the committee files its regular campaign statements (Form 460 or Form 450) and must be filed by fax, guaranteed overnight delivery service, or personal delivery. Regular mail may not be used. Some local agencies may have an electronic filing system or may accept the Form 497 via e-mail.

### **Reporting Multiple Nonmonetary Contributions**

If a committee anticipates that more than one nonmonetary contribution will be made to another committee or received from a single contributor during the 90 days before the election (including the date of the election), it may, on or before the deadline, file a single Form 497 covering the period in which the nonmonetary contributions will be made or received. The report must disclose the total value of nonmonetary contributions that will be made, or, if the actual value of nonmonetary contributions is not known at the time of filing, a good faith estimate of the value. If an estimated value differs from the reported amount by 20 percent or more, the committee must amend the Form 497 within 24 hours from the time the committee knows that the estimated value is incorrect.

## 497 Contribution Report

Type or print in ink.  
Amounts may be rounded to whole dollars.

497 CONTRIBUTION REPORT

CALIFORNIA  
FORM **497**  
For Official Use Only

<b>A</b> NAME OF FILER Manuel Alvarez for Mayor 20XX		<b>B</b> Date of This Filing 5/01/20XX		Date Stamp	
AREA CODE/PHONE NUMBER 707-555-6868	I.D. NUMBER (if applicable) 12344XX	Report No.	1		
STREET ADDRESS 225 Presley Street		<input type="checkbox"/> Amendment to Report No. _____ (explain below)			
CITY Oakmont	STATE CA	ZIP CODE 95443	No. of Pages 1		

**1** Contribution(s) Received

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED
4/30/XX	Loretta Stone 28 Hemlock Street Oakmont, CA 95434	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Nurse - Oakmont Hospital	\$2,000 <input type="checkbox"/> Check if Loan _____% Provide interest rate
4/30/XX	ABC Company 220 R Street Oakmont, CA 95434	<input type="checkbox"/> IND <input type="checkbox"/> COM <input checked="" type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		\$3,000 <input type="checkbox"/> Check if Loan _____% Provide interest rate

## Completing the Form 497

**A** Filer Information

Provide the committee's full name, telephone number, street address, city, state, zip code, and committee ID number.

**B** Date, Report Number, Number of Pages

Indicate the date the report is being filed; assign a unique number to each Form 497, such as 1, 2, 3, PR-1, PR-2, PR-3, etc.; and, indicate the number of pages included in the report.

**1** Contributions Received

For contributions received, provide:

- The date received.
- The contributor's full name, street address, and zip code.
- The contributor code. For each itemized contributor, check the box indicating whether the contributor is an individual, a committee, "other" (such as a business entity), a political party, or a small contributor committee.

- If the contributor is an individual, his or her occupation and employer must be provided. If the individual is self-employed, the name of the business must be provided.
- The amount of the contribution. Check the box if it was a loan.

### **Contributions Made**

For contributions made, provide:

- The date made.
- The recipient's full name, street address, and zip code.
- The office sought or held (if the contribution is made to a candidate).
- The ballot measure number or letter and jurisdiction (if the contribution is made to a ballot measure committee).
- The amount of the contribution.
- The date of election.

### **Amending the Form 497**

To amend a previously filed Form 497, file another Form 497 with the corrected or missing information, assign a new unique identifying number as the Report Number, check the "Amendment" box, and enter the identifying number of the report being amended. Describe the reason for the amendment in the space provided at the bottom of the form. There is no specified deadline for filing amendments; however, amendments should be filed as soon as practicable. Amendments are filed in the same location as the original.

### **Answering Your Form 497 Questions**

- A. Must a candidate file a Form 497 if, during the 90 days before the election, or on the date of the election, she loans her campaign committee \$1,000?**

Yes. A candidate's personal funds that are loaned to or contributed to the committee trigger the Form 497 requirement.

**B. Must a candidate file a Form 497 if, during the 90 days before the election (or on the date of the election), she transfers campaign funds totaling \$1,000 or more from a campaign committee established for a prior office to the campaign committee established for the office she is currently seeking election to?**

No. Transfers among a candidate's own local campaign election committees are reported as miscellaneous increases to cash, not as contributions.

**C. A committee will receive nonmonetary contributions from a single source during the 90 days before the election, including the date of the election. The contributions involve several days of telephone banking by paid individuals. Rather than filing several reports, may the committee file one Form 497 with an estimated value of the nonmonetary contributions anticipated to be received from this source during the 90 days before the election?**

Yes. The committee may make a good faith estimate of the value that will be received during the period. The Form 497 must be filed within 48 hours of receiving the first \$1,000 in nonmonetary contributions. If the actual value differs from the estimated amount by 20 percent or more, the estimated report must be amended within 24 hours of determining the correct amount.

**D. Must a committee file a Form 497 when a contributor forgives a loan of \$1,000 or more during the 90 days before the election, including the date of the election?**

Yes. A loan forgiveness is reported as a contribution and triggers the Form 497 requirement.

- E. A candidate has one open committee for a past election and one for the current election. If the committee for the past election receives \$1,000 or more from a single source in the 90-day, 24-hour reporting period for the current committee, must the committee for the past election file a Form 497?**

Yes. When a candidate is in a 90-day reporting period, contributions totaling \$1,000 or more to any of the candidate's committees trigger the Form 497 requirement.

## **B. Independent Expenditure Reporting**

As described in Chapter 6, a payment for a communication that expressly advocates support of or opposition to a candidate or ballot measure, which is not made at the behest of the candidate or measure committee, is an "independent expenditure." Chapter 6 defines in detail "expressly advocates" and "made at the behest of" and provides examples to assist committees in determining whether a payment made for a communication is considered an independent expenditure.

The Act requires committees making independent expenditures to file several forms so that voters are fully informed about who is paying for the communications that urge voters to support or oppose a particular candidate or ballot measure. Because the affected candidate or measure committee will not report the expenditures, the committee making the independent expenditures must file certain forms at the same time the candidate is required to file. In addition, a verification form that identifies an individual who is responsible for ensuring that the campaign committee's independent expenditures were not coordinated with the listed candidate or ballot measure (or the opponent) must be filed.

An independent expenditure of \$1,000 or more is reported on each of the forms listed below. The forms are reviewed in the order they will likely be required.

- Form 496 (24-Hour Independent Expenditure Report)
- Form 462 (Verification of Independent Expenditures)

**Ex 10.3** - City council candidate Martinez's controlled committee for election to office does not file independent expenditure reports when it pays for mailers for the candidate's election, because these payments are direct campaign expenditures made by the candidate. An independent group sending mailers attacking council candidate Martinez's opponent, without the cooperation, knowledge or consent of council candidate Martinez, will file independent expenditure reports.

## **What is the Date an Independent Expenditure is Made?**

A payment made in connection with the development, production, or dissemination of a communication that is an independent expenditure must be reported no later than the date the communication is mailed, broadcast, or otherwise disseminated to the public. If the communication is never disseminated to the public, it need not be reported.

### **Candidate Controlled Election Committees**

Communications paid for by a candidate's controlled committee to support his or her own election, or to oppose his or her opponent, are direct campaign expenditures, not contributions or independent expenditures.

If a candidate pays for a communication supporting his or her own candidacy that also supports or opposes a ballot measure, the payment is not considered a contribution or independent expenditure made in connection with the ballot measure.

If a candidate pays for a communication that supports another candidate, and the payment is not made at the behest of the endorsed candidate, the payment is not considered to be an independent expenditure if: (1) the candidate paying for the communication also is included in the communication; (2) the non-paying candidate is listed on the same ballot as the paying candidate; and (3) the communication is targeted only to the potential voters in the paying candidate's district.

### **Primarily Formed Committees**

A committee that is primarily formed to support or oppose a candidate is not associated with the candidate. Therefore, payments made for communications that expressly advocate support or opposition of the candidate are considered to be independent expenditures because they are not made at the behest of the candidate.

## Filing Deadlines for Independent Expenditure Forms

This chart summarizes the deadlines and filing locations for each of the independent expenditure forms. Each of the forms is discussed in detail below.

Deadline	Form	Filing Location
Within 24 hours	496	Filing officer where election is held
10 days after first independent expenditure	462	FPPC

### 24-Hour Independent Expenditure Report (Form 496)

The 24-hour Independent Expenditure Report provides immediate disclosure of independent expenditures made near or on the election date. The Form 496 must be filed if a committee makes independent expenditures totaling \$1,000 or more to support or oppose a single candidate or a single ballot measure during the 90 days, including the date of the election, before the candidate's or measure's election.

**Note:** The Sacramento Superior Court ruled in *Charles R. "Chuck" Reed v. Fair Political Practices Commission* that San Jose Mayor Reed was not subject to independent expenditure restrictions. For more information, contact the FPPC's Legal Division.

Expenditures reported on the Form 496 must also be reported on the committee's next regular campaign statement (Form 460). The Form 462 (Verification of Independent Expenditures) must also be filed.

**Ex 10.4** - A committee is primarily formed to support a mayoral candidate. The committee must act totally independent of the mayoral candidate's campaign. Seven days before the election, the committee paid \$5,000 for an advertisement in a local newspaper urging voters to support the candidate. The primarily formed committee must file the Form 496.

**Ex 10.5** - Ten days before an election, a committee spent \$1,700 on a mailing that equally advocated support of two candidates. The mailing was done completely independent of the candidates. Since the value to each candidate was only \$850 (less than \$1,000), the committee is not required to file the Form 496 for either candidate.

Three days before the election, the committee independently spent \$400 for lawn signs advocating support of one of the candidates included in the earlier mailing. Because the total spent on behalf of this candidate is now \$1,000 or more in the 90 days before the election including the date of the election, the committee must file the Form 496 in connection with this candidate.

## When and Where to File the Form 496

The Form 496 must be filed **within 24 hours** of making an independent expenditure of \$1,000 or more **during the 90 days** preceding the election, including the date of the election, in which the candidate or measure will be voted on. An independent expenditure is made when the communication is disseminated to the public. There is no deadline extension for filing the Form 496. It must be filed within 24 hours regardless of the day of the week. A separate Form 496 must be filed for each candidate or ballot measure supported or opposed.

The Form 496 is filed with the filing officer that receives the campaign statements for the candidate or measure supported or opposed. (See the chart below.) This allows voters in the affected jurisdiction to have access to reports disclosing who is spending funds attempting to influence them.

**Local Elections:** The Form 496 must be filed by fax, guaranteed overnight delivery, personal delivery, or e-mail, if available. Regular mail may not be used. A local ordinance may require that the form be filed electronically. Contact the local filing officer to determine if electronic filing or e-mail is available.

**State Elections:** The Form 496 must be filed electronically with the Secretary of State's office when it is filed in connection with a state candidate or measure. No paper copies are accepted. If the Form 496 is filed in connection with a CalPERS or CalSTRS election, a copy must also be filed with the relevant board's office.

Jurisdiction of Candidate or Measure Supported/ Opposed	Location of Filing Form 496
Statewide	Secretary of State – Electronically only
Senate or Assembly District	Secretary of State – Electronically only
CalPERS/CalSTRS	Secretary of State – Electronically only  Also file a copy at CalPERS/ CalSTRS board office
Multi-County	County with the largest number of registered voters in the jurisdiction
County	County in which the candidate or measure will appear on the ballot.  LAFCO proposals: County where measure likely to appear on the ballot and the LAFCO.
City	City in which the candidate or measure will appear on the ballot

**Ex 10.6** - A city councilmember's election committee made an independent expenditure of \$8,000 to support a county ballot measure. The Form 496 must be filed with the county elections office.

**Ex 10.7** - A county supervisor's election committee made an independent expenditure of \$10,000 to support a state ballot measure. The Form 496 must be filed electronically with the Secretary of State's office.

# 496 Independent Expenditure Report

Type or print in ink.  
Amounts may be rounded to whole dollars.

496 INDEPENDENT EXPENDITURE REPORT

<b>A</b> NAME OF FILER Friends Supporting Alvarez for Mayor 20XX		<b>B</b> Date of This Filing 06/01/20XX		Date Stamp	<b>CALIFORNIA FORM 496</b> For Official Use Only
AREA CODE/PHONE NUMBER 707-111-2222	I.D. NUMBER (if applicable) 12399XX	Report No. <u>2</u>		<input type="checkbox"/> Amendment to Report No. _____ (explain below)	
STREET ADDRESS 10 Main Street		No. of Pages _____			
CITY Oakmont	STATE CA	ZIP CODE 95443			

**1 List Only One Candidate or Ballot Measure**

NAME OF CANDIDATE SUPPORTED OR OPPOSED Manuel Alvarez				NAME OF BALLOT MEASURE SUPPORTED OR OPPOSED			
OFFICE SOUGHT OR HELD Mayor	DISTRICT NO.	SUPPORT <input checked="" type="checkbox"/>	OPPOSE <input type="checkbox"/>	BALLOT NO./LETTER	JURISDICTION	SUPPORT <input type="checkbox"/>	OPPOSE <input type="checkbox"/>

**2 Independent Expenditures Made** Attach additional information on appropriately labeled continuation sheets.

DATE	DESCRIPTION OF EXPENDITURE	AMOUNT
5/31/20XX	Newspaper Advertisement (cumulative total: \$6,000)	\$2,000

**3 Contributions of \$100 or More Received\***

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE **	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED	INTEREST RATES
5/28/20XX	Joe Brown 1800 Second Street Oakmont, CA 95443	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Retired	\$200	If loan, enter interest rate, if any _____%

## Completing the Form 496

### A Filer Information

Provide the committee's name, street address, city, state, zip code, telephone number, and committee ID number.

### B Date, Report Number, Number of Pages

Indicate the date the report is being filed; assign a unique number to each Form 496, such as 1, 2, 3, PR-1, PR-2, PR-3, etc.; and, indicate the number of pages included in the report.

### 1 Name of Candidate or Ballot Measure Supported or Opposed

Provide the name of the candidate supported or opposed and the office sought or held (and district, if applicable). Or, provide the name of the ballot measure supported or opposed, the jurisdiction in which the measure is being voted upon, and its number or letter if it has been assigned. Indicate whether the independent expenditure supported or opposed the candidate or ballot measure.

## 2 Independent Expenditures Made

Provide the date the committee made the independent expenditure. In the “Description of Expenditure” field, include a description of the independent expenditure (e.g., radio advertisement, billboard, mailing) and the cumulative-to-date total for independent expenditures relating to each candidate or measure. List the amount of the specific expenditure in the “Amount” column.

## 3 Contributions of \$100 or More Received

Disclose contributions of \$100 or more received since the closing date of the last campaign statement filed through the date of the independent expenditure. If no previous campaign statement has been filed, disclose contributions of \$100 or more received since January 1 of the current calendar year.

Disclose the name and street address of the contributor and, if the contributor is an individual, his or her occupation and the name of his or her employer. If the individual is self-employed, disclose the name of the business. Also disclose the date and amount of the contribution, the contributor code, and type of contribution. If the contribution is a loan, enter the interest rate. Once you have disclosed a contribution on the Form 496, it is not necessary to report that contribution on any additional Form 496 filings; however, it must be reported on the committee’s next regular campaign statement (Form 460 or Form 450).

### Amending the Form 496

To amend a previously filed Form 496, file another Form 496 with the corrected or missing information, assign a new unique identifying number as the Report Number, check the “Amendment” box, and enter the identifying number of the report being amended. Describe the reason for the amendment in the space provided at the bottom of the form. There is no specified deadline for filing amendments; however, amendments should be filed as soon as practicable. Amendments are filed in the same location as the original.

#### Quick Tip

Generally, the “cumulative amount” means the amount of independent expenditures made in the current calendar year.

## Verification of Independent Expenditures (Form 462)

The Form 462 must be filed if the committee makes an independent expenditure of \$1,000 or more in a calendar year to support or oppose a single candidate or a single ballot measure. The purpose of the Form 462 is for officers of the committee making the independent expenditure to verify that the committee's expenditures are indeed independent and have not been coordinated with the affected candidate or ballot measure committee (or the opponent). The form also verifies that the committee has not received any unreported contributions or reimbursements to make the independent expenditures.

### When and Where to File the Form 462

The Form 462 must be filed within 10 days from the date of the committee's first independent expenditure of \$1,000 or more to support or oppose a candidate or measure in a calendar year. An independent expenditure is made when the communication is disseminated to the public. A candidate or measure is listed only once for each election. Primary, general, and runoff elections are considered separate elections.

The Form 462 must be filed via e-mail with the FPPC ([form462@fppc.ca.gov](mailto:form462@fppc.ca.gov)). The originally signed form must be maintained with the committee's campaign records for four years.

**Ex 10.8** - A committee primarily formed to oppose a candidate made independent expenditures of \$20,000 to oppose the candidate in the primary election. A Form 462 is required for the primary election. If the committee makes independent expenditures of \$1,000 or more to oppose the candidate in the general election, another Form 462 must be filed.

**Ex 10.9** - A committee primarily formed to support a candidate on a November ballot made its first independent expenditure of \$1,000 or more in September and filed the Form 462 listing the candidate. In October, the committee made several more independent expenditures to support the candidate. No additional Form 462s are required for that candidate for the November election.

**Form 462**  
**Verification of Independent Expenditures**

**CALIFORNIA**  
**FORM 462**

This verification form identifies an individual responsible for ensuring that the campaign committee's independent expenditures were not coordinated with the listed candidate or measure committee (or the opponent) and that the committee will report all contributions and reimbursements as required by law. An independent expenditure is not subject to state or local contribution limits.

Amendment (Explain)

**1 Name of Committee:**

NAME OF RECIPIENT COMMITTEE, ENTITY OR INDIVIDUAL: Friends Supporting Alvarez for Mayor 20XX  
 COMMITTEE ID #: 12399XX

BUSINESS STREET ADDRESS: 10 Main Street  
 CITY: Oakmont

STATE: CA ZIP CODE: 95443 E-MAIL: klucchi@hotmail.com TELEPHONE NUMBER: (707) 111-2222

**2 Candidates or Measures:**

This committee has reported independent expenditure(s) to support or oppose the candidate(s) or measure(s) listed on a ballot for the election date identified below. (Note: The reporting of an independent expenditure may occur after this form is filed if an independent expenditure is made before the 90 day-24 hour reporting period of Government Code Sections 84204 and 85500.)

NAME OF CANDIDATE (First, Last) / BALLOT MEASURE	SUPPORT	OPPOSE	OFFICE SOUGHT OR HELD / BALLOT NO. / LETTER	JURISDICTION AND DISTRICT, IF ANY	ELECTION DATE
Manuel Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Mayor	Oakmont	06/04/20XX
NAME OF CANDIDATE (First, Last) / BALLOT MEASURE	<input type="checkbox"/>	<input type="checkbox"/>	OFFICE SOUGHT OR HELD / BALLOT NO. / LETTER	JURISDICTION AND DISTRICT, IF ANY	ELECTION DATE
NAME OF CANDIDATE (First, Last) / BALLOT MEASURE	<input type="checkbox"/>	<input type="checkbox"/>	OFFICE SOUGHT OR HELD / BALLOT NO. / LETTER	JURISDICTION AND DISTRICT, IF ANY	ELECTION DATE
NAME OF CANDIDATE (First, Last) / BALLOT MEASURE	<input type="checkbox"/>	<input type="checkbox"/>	OFFICE SOUGHT OR HELD / BALLOT NO. / LETTER	JURISDICTION AND DISTRICT, IF ANY	ELECTION DATE

**3 Verification (Check One):**  Principal Officer  Candidate/Officeholder  State Ballot Measure Proponent

I have not received any unreported contributions or reimbursements to make these independent expenditures. I have not coordinated any expenditure made during this reporting period with the candidate or the opponent of the candidate who is the subject of the expenditure, with the proponent or the opponent of the state measure that is the subject of the expenditure, or with the agents of the candidate or the opponent of the candidate or the state measure proponent or opponent. I certify under penalty of perjury under the laws of the State of California that the following is true and correct.

Signature: [Signature Required] Printed Name: Karen Lucci Signed on: [Date Required]

FPPC Form 462 (Dec/2012)  
 FPPC Advice: advice@fppc.ca.gov (866/275-3772)  
 www.fppc.ca.gov

**Completing the Form 462**

**1 Name of Committee**

Enter the name and street address of the committee that is making the independent expenditure(s). The address should be the same as the address listed on the committee's Statement of Organization (Form 410). Provide the committee's assigned committee ID number.

**2 Candidates or Measures**

List the name of the candidate(s) or ballot measure(s) and mark the applicable support or oppose box. For candidates, list the office sought or held. The candidate's or measure's jurisdiction (and district if applicable) and the date of the election must also be listed.

### **3** Verification

The form must be reviewed and signed by the committee's principal officer. A principal officer is an individual primarily responsible for approving the political activity of the committee. (See Chapter 1.) If the committee has more than one principal officer, only one individual must sign the Form 462. The individual must be listed on the committee's Statement of Organization (Form 410). The same individual is not required to sign each Form 462. In the case of a controlled committee, the candidate or officeholder must sign the form.

#### **Amending the Form 462**

To amend a previously filed Form 462, file another Form 462 with the corrected or missing information, check the "Amendment" box, and describe the reason for the amendment in the space provided. Amendments to the Form 462 must be filed within 10 days of the change. Like the original, the amendment must be signed and dated and filed via e-mail with the FPPC ([form462@fppc.ca.gov](mailto:form462@fppc.ca.gov)).

## Answering Your Independent Expenditure Questions

### **A. How frequently must the Form 462 be filed?**

The Form 462 is required to identify the candidate or measure supported or opposed only once for each election. Once a candidate or measure is listed on the Form 462, no further filings are required for that candidate or measure for that election. If a committee makes independent expenditures related to a candidate in the primary election and later makes independent expenditures related to the same candidate in the runoff election, two Form 462's must be filed as they are separate elections.

### **B. Is an independent expenditure reportable by the committee for the candidate or the ballot measure named in the communication?**

No. Because the communication is not made at the behest of the candidate or ballot measure committee, the expenditure for the communication is not reported by the affected candidate or measure committee. The person making the independent expenditure has the reporting obligations.

### **C. Is a candidate's controlled committee making an independent expenditure when it pays for a communication that supports the controlling candidate and supports or opposes a ballot measure listed on the same ballot?**

No. This type of expenditure considered to be a direct campaign expenditure to promote one's own election.

### **D. May a committee pro-rate the value of a communication that contains both an independent expenditure and a non-political message?**

Yes. The committee should value the independent expenditure as the portion of the costs directly associated with sending the message that expressly advocates support or opposition of a candidate or ballot measure.

## D. Special Odd-Year Report (Form 460 or 450)

The odd-year report is designed to timely show if a committee is making large contributions to a number of state legislators or elected state officers during an off-election year when important issues such as the state budget or controversial legislation is being considered. The odd-year report must be filed, if during any odd-numbered year, the committee makes contributions totaling \$10,000 or more to **elected state officers**, their controlled committees, or committees primarily formed to support or oppose any elected state officer during the first and third quarters of the year.

The special odd-year report is completed in the same manner as a regular preelection or semi-annual statement (see Chapter 8) and includes all of the committee's activity during the reporting period, not just contributions to elected state officers.

### When and Where to File the Special Odd-Year Report

The special odd-year report is filed where the committee files its regular campaign statements and is filed on the committee's regular campaign disclosure statement (Form 460 or Form 450).

Period Covered	Filing Deadline
January 1 through March 31	April 30
July 1 through September 30	October 31

## E. Advertisement Reports

### Paid Spokesperson Report (Form 511)

Promoting "truth in advertising," the Act requires that when a teacher, firefighter, doctor, or other person is in a ballot measure advertisement giving their expert views for or against the measure, the advertisement must disclose if the person has been paid. The Form 511 must be filed if a committee pays an individual for his or her appearance in a ballot measure advertisement in the following situations:

**Ex 10.13** - Between July 1 and September 30 of an odd-numbered year, a local candidate's election committee contributes \$6,000 to the Governor's ballot measure committee and \$6,000 to the Secretary of State's election committee. The local committee must file a special odd-year report covering the period July 1 through September 30, by October 31.

**Ex 10.14** - In support of a local ballot measure, a committee hires a public relations firm to produce a television advertisement. A local celebrity is paid \$5,000 or more to appear in the ad. The committee must include the ad disclaimer described in Chapter 7 and must file the Form 511.

**Payments of \$5,000 or More:** The committee makes expenditures totaling \$5,000 or more to an individual for his or her appearance in an advertisement to support or oppose the qualification, passage, or defeat of a state or local ballot measure.

**Payments of Any Amount:** The committee makes expenditures of any amount to an individual for his or her appearance in an advertisement to support or oppose the qualification, passage, or defeat of a state or local ballot measure and the advertisement states or suggests that the individual is a member of an occupation that requires licensure or certification or other specialized documented training as a prerequisite to engage in that occupation (nurse, doctor, firefighter, scientist, engineer, lawyer, etc.).

Committees that pay a spokesperson to appear in a ballot measure advertisement may be required to include specific disclaimers on the advertisements. (See Chapter 7.)

### **When and Where to File the Form 511**

The Form 511 must be filed within 10 days of making an expenditure identified above. An expenditure is made on the date the payment is made or the date the services are received, whichever is earlier. The Form 511 is filed in the same location the committee files its regular campaign statements (Form 460 or Form 450). Instructions for completing the Form 511 are provided on the FPPC's website.

### **Communications Identifying State Candidates (Form E-530)**

The Act requires reporting of electioneering communications for state candidates, such as billboards on Interstate 5 saying "Thank you Senator Kim for your support of Central Valley Agriculture" placed right before the election. The Form E-530 must be filed if a committee makes a payment or a promise of a payment totaling \$50,000 or more for a communication disseminated within 45 days of an election that clearly identifies a candidate for elective state office, but does not expressly advocate the election or defeat of the candidate.

**Ex 10.15** - A committee pays \$200 for a doctor to appear in a television advertisement supporting a local ballot measure. The ad will clearly identify the individual as a doctor. The committee is not required to include an ad disclaimer, but it must file the Form 511.

#### **Quick Tip**

Chapter 7 contains the requirements for advertisement disclaimers, including the specific disclaimers that may be required if a committee pays a spokesperson to appear in a ballot measure advertisement.

The report must disclose the amount and date of the payment(s), and the name of and office sought by the candidate(s) identified in the communication. In addition, if \$5,000 or more was received or promised from a single source to pay for the communication, the report must include the name and address of the contributor, as well as the date and amount received or promised. If the contributor is an individual, the individual's occupation and employer must also be included.

The report must be verified by a written "electronic filing declaration" signed, dated, and verified on the same date the report is transmitted to the Secretary of State. This declaration must be retained in the committee's records for five years following the date that the campaign report to which it relates is filed. The statement must include the following language:

"I have used all reasonable diligence in preparing this report and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct."

### **When and Where to File the Form E-530**

The Form E-530 must be filed electronically with the Secretary of State **within 48 hours** of making or promising to make a payment of \$50,000 or more. There is no paper version of the Form E-530. To access the online form, go to the Secretary of State's website ([www.sos.ca.gov](http://www.sos.ca.gov)). If the committee has not previously filed electronically with the Secretary of State, the committee will need to request a filer ID and password. The request form (Electronic Filing Password Request) is located on the Secretary of State's website under Campaign Finance.

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## Authority

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The following Government Code sections and Title 2 regulations provide authority for the information in this chapter:

### Government Code Sections

- 81004.5 Reports and Statements; Amendments.
- 82025 Expenditure.
- 82036 Late Contribution.
- 82036.5 Late Independent Expenditure.
- 82044 Payment.
- 84200.6 Special Campaign Statements and Reports.
- 84202.7 Time for Filing by Committees of Odd-Numbered Year Reports.
- 84203 Late Contribution; Reports.
- 84203.3 Late In-Kind Contributions.
- 84204 Late Independent Expenditures; Reports.
- 84213 Verification.
- 84511 Ballot Measure Ads; Paid Spokesperson Disclosure.
- 85310 Communications Identifying State Candidates.
- 85501 Prohibition on Independent Expenditures by Candidate Controlled Committees.

### Title 2 Regulations

- 18116 Reports and Statements.
- 18421.1 Disclosure of the Making and Receipt of Contributions.
- 18425 24-Hour Contribution Reports.
- 18450.11 Spokesperson Disclosure.
- 18465.1 Verification of Online Filers.
- 18531.10 Communications Identifying State Candidates.
- 18539.2 Reporting Payments Pursuant to Government Code Section 85310.

# FILING OBLIGATIONS AFTER THE ELECTION AND TERMINATING THE COMMITTEE

After the election, a candidate's future filing obligations are determined by whether he or she was elected to office or not. Generally, a committee primarily formed to support or oppose a candidate will terminate after the election. The Political Reform Act (Act) does not require any local candidate or primarily formed committee to terminate; however, campaign statements must continue to be filed as long as the committee remains open. In addition, the \$50 annual fee must be paid to the Secretary of State.

This chapter addresses the reporting requirements for successful candidates, defeated candidates, primarily formed committees, and the guidelines for terminating a campaign committee.

## A. Successful Candidates

The requirements discussed below apply to candidates/officeholders immediately following the election and for subsequent non-election years. An officeholder retains his or her status as a "candidate" under the Act and must continue to file campaign reports – either the full Form 460 or the short Form 470 – until they have left elective office and terminated their committee. See "Candidates Using Campaign Funds for a Future Election" below to determine the requirements for a candidate/officeholder running for reelection or running for election to a different office.

### Officeholders Who Filed Form 470 During Campaign

After the election, a candidate who filed the Form 470 (Officeholder and Candidate Campaign Statement – Short Form) in connection with the election has no additional filing obligations that calendar year provided \$2,000 or more is not raised or spent during that calendar year. So long as a candidate/officeholder does not have an open committee, a Form 470 must be filed by July 31 of each subsequent non-election year.

## Officeholders Who Filed Form 460 During Campaign

After the election, a successful candidate who filed the Form 460 (Recipient Committee Campaign Statement) in connection with the election must continue to file the Form 460 semi-annually as long as the committee remains open. In addition, other special reports may be required. The candidate/officeholder has the option of maintaining his or her committee and campaign bank account or terminating the campaign committee and closing the bank account. An officeholder who maintains a committee may:

- Continue to receive contributions;
- Use campaign funds to offset officeholder expenses; or
- Use funds for a future election. (See "Candidates Using Campaign Funds for a Future Election" below.)

Once an officeholder terminates the committee, he or she may be required to file the Form 470 the following year. However, if a candidate/officeholder has an open committee at any time during a calendar year, the Form 470 (short form) may not be filed instead of the Form 460.

### **Exception: Judges and Unpaid Officeholders**

Unpaid officeholders (defined in the Act as those who receive less than \$200 per month for serving in office) and judges are not required to file Form 460 or Form 470 for any semi-annual period in which they are not listed on a ballot and do not receive any contributions or make any expenditures. This exception applies even if a judge or unpaid officeholder has a controlled committee so long as the committee has not received any contributions or made any expenditures (excluding bank fees and interest).

To determine whether \$200 has been received, only the elected officeholder's fixed compensation (i.e., salary) is counted. Payments for health benefits, reimbursement for expenses (including travel expenses), or per diem received from the officeholder's agency need not be counted toward the \$200.

Judges and unpaid officeholders who are listed on a ballot must file the Form 470.

### Behested Payment Reports (Form 803)

An elected officer who fundraises for worthy causes in his or her community (such as for a local school, to build a new community center or restore a historic building) may have to file a “behested payments” report. Behested payments are donations made to a charity or a government agency at the request of an elected officer for a legislative, governmental or charitable purpose. These payments are not made for personal purposes (i.e., gifts) or campaign purposes (i.e., contributions).

A common example is when an elected officer co-sponsors a charitable, governmental, or legislative event, such as a job fair or a conference on public policy issues, with outside sources. Payments made by outside sources in connection with these events generally are considered behested payments.

### Form 803 Filing Procedures:

- File the Form 803 when a person donates \$5,000 or more in a calendar year to charitable organizations or events at the request of an elected officer.
- Once a source has made a behested payment(s) of \$5,000 or more during the calendar year, subsequent payments of any amount from that source during the calendar year must be reported.
- File the Form 803 with the elected officer’s agency within 30 days following the date of the payment.
- The elected officer’s agency must forward the Form 803 to the filing officer who receives the elected officer’s campaign statements within 30 days of receiving the form. The Form 803 is a public record. See the Form 803 example below.

#### Quick Tip

Although behested payments are not considered gifts or contributions to the elected official, meals, lodging, and travel payments received by an official in connection with a co-sponsored event may be reportable gifts.

**Ex 11.1** - At the mayor’s request, a catering company donated refreshments valued at \$5,000 for a city sponsored job fair. The mayor must file a Form 803 with the city clerk to report the behested payment.

## Form 803 Exceptions:

- A Form 803 is not required of a non-elected officer.
- A payment is not subject to behested payment reporting if the payment is made in response to a fundraising solicitation from a charitable organization requesting a payment where the solicitation does not “feature an elected officer,” even if the solicitation includes an elected officer’s name. A solicitation “features an elected officer” when it includes the officer’s photograph or signature, or singles out the elected officer. An elected officer is also “featured” in a solicitation if the roster or letterhead listing the governing body contains a majority of elected officers. See Regulation 18215.3 for additional information.
- A payment is not subject to behested payment reporting if the elected officer makes a request for a payment from a local, state, or federal government agency.

Behested Payment Report

A Public Document

Behested Payment Report

California Form 803

For Official Use Only

1. Elected Officer or CPUC Member (Last name, First name) Alvarez, Manuel
Agency Name City of Oakmont
Agency Street Address 225 Presley Street, Oakmont, CA 95443
Designated Contact Person (Name and title, if different) Madeline Richards
Area Code/Phone Number 707-555-6868 E-mail (Optional) mrichards@oakmontmail.com
Date Stamp
Amendment (See Part 5)
Date of Original Filing: 6/30/XX (month, day, year)

2. Payor Information (For additional payors, include an attachment with the names and addresses.)
Wildwood Insurance Company
Name
1022 Main Street Oakmont CA 95443
Address City State Zip Code

3. Payee Information (For additional payees, include an attachment with the names and addresses.)
Boys and Girls Club of California
Name
555 10th Street Sacramento CA 95814
Address City State Zip Code

4. Payment Information (Complete all information.)
Date of Payment: 6/24/XX (month, day, year) Amount of Payment: (In-Kind FMV) \$ 5,000 (Round to whole dollars.)
Payment Type: [X] Monetary Donation or [ ] In-Kind Goods or Services (Provide description below.)
Brief Description of In-Kind Payment:
Purpose: (Check one and provide description below.) [ ] Legislative [ ] Governmental [X] Charitable
Describe the legislative, governmental, charitable purpose, or event: Charitable fundraiser to support the Boys and Girls Club.

5. Amendment Description or Comments

6. Verification
I certify, under penalty of perjury under the laws of the State of California, that to the best of my knowledge, the information contained herein is true and complete.
Executed on 6/30/XX DATE By [Signature Required] SIGNATURE OF ELECTED OFFICER OR CPUC MEMBER

## Legal Defense Committees

The Act permits a local candidate or elected officer to establish a legal defense fund, if the candidate or officer is subject to civil, criminal or administrative proceedings arising directly out of the conduct of an election campaign, the electoral process, or the performance of the officer's governmental duties. Contributions raised for legal defense must be held in a separate account, they may be subject to contribution limits if provided by local ordinance, and they must be fully reported. Any funds raised may only be spent to defray attorneys fees and other related legal costs, as defined in the Act. (See Regulation 18530.45 for additional information.)

## Recall Elections

Under state law, an officeholder who is the subject of a recall may use an existing committee (set up for the office he or she currently holds) to receive contributions and make expenditures to oppose the qualification of the recall measure, and if the recall petition qualifies, the recall election.

An alternative option is to form a separate recall committee. A recall committee may be established once the officeholder receives a notice of intent to recall under Elections Code Section 11201. The committee must set up a separate bank account at a financial institution in California, file a Statement of Organization (Form 410), and, in addition to the officeholder's name, must include the word "recall" in the name of the committee. See Campaign Disclosure Manual 3 as a recall committee is considered a ballot measure committee. (FPPC Regulation 18531.5 contains specific guidance on recall elections.)

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## B. Defeated Candidates

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### Form 470 Filers

Following the election, a defeated candidate who filed the Form 470 (Officeholder and Candidate Campaign Statement – Short Form) has no further reporting obligations so long as less than \$2,000 was raised or spent during the calendar year.

## Form 460 Filers

Following the election, a defeated candidate must continue to file the Form 460 on a semi-annual basis and pay the annual committee fee as long as the committee remains open. In addition, other special reports may be required.

There is no deadline for terminating the committee or disposing of leftover funds; however, if there are leftover funds and the candidate wants to use the funds for a future election, the funds must be redesignated or transferred as discussed below.

### C. Candidates Using Leftover Campaign Funds for a Future Election

A local candidate or officeholder may use leftover campaign funds for a future election so long as the funds are not considered “surplus funds” and the requirements below are met. **Campaign funds become surplus on the 90th day after the closing date for the postelection reporting period or upon the 90th day after the date of leaving office, whichever occurs last.** Surplus campaign funds are subject to restrictions, as described in Chapter 5, and may not be used for a future election.

#### Running for the Same Office

To use money remaining in the campaign bank account for a future election to the **same office** before the funds become surplus, a local candidate may redesignate his or her committee and campaign bank account by:

- Filing a **new Form 501** (Candidate Intention Statement) for the specific future election; and,
- Filing an **amended Form 410** (Statement of Organization) to reflect the redesignation for the future election.

#### Running for a Different Office

To use money remaining in the campaign bank account for a future election to a different office before the funds become surplus, a local candidate must:

**Ex 11.2** - John Davis lost the city council election in November. John has \$3,500 remaining in his campaign bank account and is considering seeking another city council position in two years. In order to use the remaining \$3,500 for the future election, John must file a new Form 501 (Candidate Intention Statement) and redesignate the bank account to a future election by amending his Form 410 (Statement of Organization) to indicate the new office sought and year of election. This must be done within 90 days after the end of the postelection reporting period for the November election.

#### Quick Tip

Candidates should also check with the city or county to determine if there are local restrictions for redesignating or transferring campaign funds.

- File a **new Form 501** (Candidate Intention Statement) for the specific future election;
- File a **new Form 410** (Statement of Organization); and,
- Open a **new bank account**. So long as the funds are not surplus and there are no local restrictions, the campaign funds from the other account may be transferred to the new bank account.

**Ex 11.3** - Jayna Chacon is a city council member who plans to run for county supervisor in the next election. She would like to use the remaining funds in her city council committee bank account for the county election. Jayna must file a new Form 501 before she solicits or receives contributions for the county supervisor election. She must also file a new Form 410 and open a new bank account. The city council committee campaign funds must be transferred to the county supervisor campaign bank account within 90 days after the date Jayna leaves the city council position.

## D. Primarily Formed Committees

Generally, a committee established primarily to support or oppose a particular candidate(s) will terminate after the election, but the committee may remain open to:

- Raise funds to pay debts.
- Support or oppose other candidates or measures. The committee will need to amend its Statement of Organization (Form 410) to reflect the change.

A primarily formed committee must continue to file semi-annual campaign statements (i.e., Form 460 or Form 450) and pay the annual committee fee as long as the committee remains open.

**Ex 11.4** - After the election, the committee primarily formed to support candidate Jones decides to support candidate Lopez in the next election. In order to do so, the committee must file an amended Form 410 (Statement of Organization) and will continue to file campaign statements.

## E. Terminating the Committee

There is no deadline for terminating a committee controlled by a local candidate or officeholder unless the controlling candidate/officeholder becomes a state officeholder. In that case, the candidate should refer to Campaign Disclosure Manual 1 for State Candidates for the termination requirements.

A primarily formed committee also does not have a deadline to terminate. However, the committee, by its nature, may need to change its committee status if it remains open after the election. A committee that remains open must continue to file semi-annual campaign statements (i.e., Form 460 or Form 450) and pay the annual

fee, as described in Chapter 1, until it terminates. There are specific requirements that must be met in order for a committee to terminate.

**A committee may terminate only if the committee:**

- Has ceased receiving contributions or making expenditures and does not anticipate receiving contributions or making expenditures in the future;
- Has no remaining campaign funds;
- Has filed all required campaign statements, disclosing all reportable transactions, including the disposition of leftover funds; and
- Has eliminated all debts, or has no intention or ability to discharge debts.

A committee must file a Form 410 and a final Form 460 or Form 450. On the Form 410, the "Termination" box must be checked. List the committee's identification number and the date of termination; the date of termination generally is the date all funds have been expended.

Complete Section 1 and the treasurer or assistant treasurer must sign the verification. For candidate controlled committees, the controlling officeholder(s)/candidate(s) also must sign the verification.

Form 450 or 460 also must be filed showing that all funds have been expended and the committee has no cash on hand. Check the "Termination" box on the cover page.

File the original and a copy of the Form 410 with the Secretary of State and a copy with the committee's local filing officer who receives the committee's original campaign statements. File the Form 450 or 460 in the committee's regular filing locations.

**Ex 11.5** - At the end of November, after winning her election, Arlene decides to terminate her committee. To do so, she must file a Form 410 termination and a Form 460 termination showing that the committee has no remaining cash. On the Form 460 Cover Page, Type of Statement section, she will mark both the termination and semi-annual boxes and enter December 31 as the closing date of the statement. Unless there is additional activity, Arlene is not required to file a semi-annual statement on January 31, and may file Form 470 by July 31 of the next year.

## F. Receiving a Refund After the Committee Has Terminated

Generally, once a committee has terminated, no transactions may be made by the committee unless a request to reopen the committee is submitted to and approved by the FPPC's Executive Director. However, a candidate controlled committee that has terminated may accept a refund from a governmental entity (such as an overpayment of filing fees) without reopening. A committee may also accept a refund from a vendor or other person without reopening if the committee did not know of its entitlement to the refund prior to termination and the refund or refunds total no more than \$10,000.

To report this type of refund, the terminated committee must file a Form 460 for the period in which the refund was received and report the refund as a miscellaneous increase to cash on Schedule I of the Form 460 and as an expenditure on Schedule E when the funds are spent. (See Chapter 5 for the permissible uses of campaign funds.) For the rules related to transferring the refund to another committee, see Regulation 18404.1.

**Ex 11.6** - A candidate was defeated in a November election and closed her campaign committee in December. In February of the following year, she received a \$1,500 refund from the county elections office for an overpayment of her filing fees. The candidate must disclose receipt of the refund on Schedule I of the Form 460. The refund must be used for a permissible expenditure as described in Chapter 5, such as to pay outstanding debts or to make a donation to a charity, and disclosed on Schedule E. If the candidate used personal funds to pay the filing fee, she may keep the refund without disclosing it on the Form 460.

## Answering Your Questions

**A. Must I file the Form 470 even if I waive my \$200 per month salary as a school board member?**

Yes. The exception for unpaid officeholders (less than \$200 per month) does not apply when an officeholder waives his or her salary.

**B. May I terminate my committee even if I have outstanding debt?**

Yes. When you file your termination statement showing outstanding debt, you are declaring that you do not have the ability to discharge debts, loans, or other obligations. However, if you plan to raise additional funds, or pay the outstanding debt with personal funds, you may not terminate.

**C. After terminating my committee, I received an invoice for legal services that needs to be paid. Is it permissible to pay the invoice with my personal funds without reopening the committee?**

No. A request to reopen your committee must be submitted to the FPPC's Executive Director. If the request is approved, you must reopen the committee and deposit personal funds into the committee's bank account before paying the invoice. The only transactions that may occur without reopening a committee are receipt of a refund from a governmental entity or receipt of a refund from a vendor or other person if the committee did not know of its entitlement prior to termination and the refund is no more than \$10,000. (See Regulation 18404.1.)

**D. After terminating my committee, I received a refund from the city clerk for an overpayment of my filing fees. How do I report this?**

If you used campaign funds to pay for the filing fees, you must file a Form 460 to report the refund as a miscellaneous increase to cash (on Schedule I). You must also report the expenditure of the funds on Schedule E. See Chapter 5 for the permissible uses of campaign funds.

If you used personal funds to pay for the filing fees, you may keep the refund and you are not required to report it on a campaign statement.

**E. A nonprofit group paid for a survey they conducted and published. The group is claiming that my committee owes them for part of the costs of the survey, but my position is that, since they conducted the survey without my authorization, my committee does not owe them for the survey. The group has indicated that it may seek a small claims court judgment. I would like to close my committee, but should the committee remain open until the issue is resolved?**

One of the requirements that must be met in order for a committee to terminate is for the treasurer to state, under penalty of perjury, that the committee has eliminated all debts or has declared that it has no intention or ability to discharge all of its debts, loans received, and other obligations.

Under very limited circumstances (e.g., to receive a refund), a committee may request approval from the FPPC's Executive Director to reopen a terminated committee, but this issue does not appear to meet these circumstances. So, if your treasurer does not want to declare that the committee has no intention or ability to discharge all of its debts, loans received, and other obligations, we recommend that the committee remain open until the issue is resolved.

## Authority

The following Government Code sections and Title 2 regulations provide authority for the information in this chapter:

### Government Code Sections

- 82015 Contribution.
- 84103 Statement of Organization; Amendment.
- 84200 Semi-Annual Statements.
- 84206 Candidates Who Receive or Spend Less than \$2,000.
- 84214 Termination.
- 85200 Statement of Intention to be a Candidate.
- 85201 Campaign Bank Account.
- 85304.5 Legal Defense Fund; Local Candidates and Elected Officeholders.
- 89519 Surplus Funds.

### Title 2 Regulations

- 18215 Contribution.
- 18215.3 Behested Payments Reporting.
- 18402 Committee Names.
- 18404 Termination of Candidate's and Committees' Filing Requirements.
- 18404.1 Termination and Reopening of Committees.
- 18406 Short Form for Candidates or Officeholders Who Receive and Spend Less than \$2,000 in a Calendar Year.
- 18426 Semi-Annual Statement Early Filing.
- 18530.45 Legal Defense Funds – Local Candidates and Officers.
- 18531.5 Recall Elections.

# APPENDIX – ABOUT THE POLITICAL REFORM ACT/ HOW TO GET HELP

## **The Political Reform Act of 1974**

The Political Reform Act (the "Act") was a voter-approved initiative on the 1974 primary election ballot. One of the major provisions of the Act requires the truthful and accurate disclosure of campaign contributions and expenditures during elections.

## **The Fair Political Practices Commission**

The Fair Political Practices Commission (FPPC) is the independent, nonpartisan state agency authorized to implement, interpret, and enforce the provisions of the Act. The Commission is comprised of a full-time chair appointed by the Governor, and four part-time commissioners, one each appointed by the Controller, the Attorney General, the Secretary of State, and the Governor. Each member serves a four-year term and no more than three members may be from the same political party. FPPC staff is comprised of five divisions: Executive, Administration and Technology, Enforcement, Legal, and External Affairs and Education.

## **Governing Statutes**

The Political Reform Act is contained in Government Code Sections 81000 – 91014.

## **Regulations**

Regulations interpreting the Political Reform Act are located at Title 2, Division 6 of the California Code of Regulations, beginning at Section 18109.

## **Opinions and Advice Letters**

The FPPC periodically issues opinions interpreting provisions of the Political Reform Act. The opinions are adopted at a public meeting, with opportunity for input from interested persons.

In addition, FPPC staff issues written advice letters as to the applicability of the Political Reform Act and regulations to a particular factual situation. Refer to the information on requesting written advice from the FPPC available on the FPPC website.

### **Contact Information for the FPPC**

Fair Political Practices Commission  
428 J Street, Suite 620  
Sacramento, CA 95814

(916) 322-5660  
(866) 275-3772 – Toll-free  
[www.fppc.ca.gov](http://www.fppc.ca.gov)

Twitter: @CA\_FPPC  
Facebook: CA FPPC

### **FPPC Website**

Visit the FPPC website ([www.fppc.ca.gov](http://www.fppc.ca.gov)) to get copies of specific advice letters, sign up for RSS feeds, or to be put on mailing lists. The Commission's website also contains a wealth of helpful information, including:

- The Political Reform Act and its corresponding regulations
- Commission opinions
- Notices of Commission meeting dates, agendas, supporting documentation for agenda items, and meeting summaries
- Forms required by the Act (also available at the FPPC's offices, the Secretary of State's offices, and many local clerks' offices)
- Manuals, fact sheets, and useful summaries of the law
- Schedules of upcoming seminars, webinars, and educational workshops

## **Additional Campaign Manuals**

Additional copies of this manual, and manuals for other types of campaign committees are available from the FPPC, the Secretary of State, and many city clerks and county elections offices. Manuals are available for:

- State candidates and officeholders, and committees primarily formed to support/oppose state candidates
- General purpose recipient committees (including PACs, sponsored committees, political party committees, and county central committees)
- Ballot measure committees
- Major donor and independent expenditure committees
- Slate mailer organizations

## **Obtaining Information Elsewhere**

A subscription for regulations is available from:

Barclay's Law Publishing  
P.O. Box 3066  
South San Francisco, CA 94083  
(800) 888-3600

Opinions and advice letters are available from these subscription services:

Westlaw (800) 328-9352  
Database: "CA-ETH"  
(Advice letters from 1986 to present)

Lexis-Nexis (800) 227-9597  
Database: "CA Fair Political Practices Commission"  
(Advice letters from 1990 to present)

## **Other Resources**

The Secretary of State, city clerks, and county clerks or registrars of voters are the filing officers for campaign disclosure statements. Committee statements will be filed with the Secretary of State or the local elections office, depending on whether the filer is a state or local candidate or committee.

### **Secretary of State**

The Secretary of State is also responsible for issuing campaign committee identification numbers.

(916) 653-6224  
[www.sos.ca.gov](http://www.sos.ca.gov)

### **Federal Election Commission**

The Federal Election Commission answers questions regarding federal elections and contributions to all candidates from national banks, national corporations, and foreign nationals.

Federal Election Commission  
999 E Street, NW  
Washington, DC 20463  
(800) 424-9530  
[www.fec.gov](http://www.fec.gov)

### **Franchise Tax Board**

The California Franchise Tax Board is responsible for responding to questions regarding tax status, tax-deductibility of political contributions, 501(c)(3) groups, audits, or any tax-related questions.

(800) 852-5711 or (800) 338-0505  
[www.ftb.ca.gov](http://www.ftb.ca.gov)

## **Internal Revenue Service**

The Internal Revenue Service provides assistance regarding federal tax laws and obtaining a taxpayer identification number.

(877) 829-5500 (located in Washington, D.C.)

(800) 829-3676 (taxpayer ID number)

[www.irs.gov](http://www.irs.gov)

## **Federal Communications Commission**

The Federal Communications Commission answers questions regarding rates for purchasing broadcast time and equal access to broadcast media.

(888) 225-5322 (located in Washington, D.C.)

[www.fcc.gov](http://www.fcc.gov)

Email: [fccinfo@fcc.gov](mailto:fccinfo@fcc.gov)

## **Local Campaign Ordinances**

A city or county officeholder, candidate, or committee may be subject to additional reporting or other requirements under a local campaign ordinance. Common examples include the requirement to file campaign statements electronically, local contribution limits, lower itemization thresholds, or the requirement to file an additional preelection statement. A city or county campaign ordinance may never preempt state law.

## **Privacy Information Notice**

Information required on all FPPC forms is used by the FPPC to administer and enforce the Political Reform Act (Government Code sections 81000 – 91014 and California Code of Regulations sections 18110 – 18997). All information required by these forms is mandated by the Political Reform Act. Failure to provide all of the information required by the Act is a violation subject to administrative, criminal or civil prosecution. All reports and statements provided are public records open for public inspection and reproduction.



If you have any questions regarding this Privacy Notice, please contact the FPPC at:

General Counsel  
428 J Street, Suite 620  
Sacramento, CA 95814  
(916) 322-5660

Campaign statements are filed with the Secretary of State and city and county filing officers, depending upon the type of committee. (See Chapter 9.)

### **Enforcement**

The Fair Political Practices Commission, the Attorney General, county district attorneys, and elected city attorneys of charter cities have enforcement authority under the Act. Failure to provide all or any part of the information required by the Political Reform Act is a violation subject to:

- An administrative enforcement proceeding before the Fair Political Practices Commission;
- A criminal misdemeanor proceeding;
- A civil action; and
- Levying of late penalties by filing officers.

Penalties of up to \$5,000 per violation of the Political Reform Act may be imposed.

## Candidate Intention Statement

# CALIFORNIA 501 FORM

### Who Files:

A candidate for state or local office must file this form for each election, including reelection to the same office. Exception: Candidates for county central committee that do not raise or spend \$2,000 or more in a calendar year.

### When to File:

File the Form 501 before you solicit or receive any contributions or before you make expenditures from personal funds on behalf of your candidacy. This form is considered filed the date it is postmarked or hand delivered.

Ensure campaign deadlines are met. Go to [www.fppc.ca.gov](http://www.fppc.ca.gov) for most campaign disclosure filing schedules or check with your local filing officer.

### Where to File:

#### State Candidates (including Judges):

Secretary of State  
Political Reform Division  
1500 11th Street, Room 495  
Sacramento, CA 95814  
Phone (916) 653-6224  
[www.sos.ca.gov](http://www.sos.ca.gov)

#### Local Candidates:

Generally your county election office or city clerk. Electronic filing may be required.

#### Bank Account:

A separate campaign bank account must be established including campaigns that are self funded by the candidate. Exception: A bank account is not required if a candidate will not receive contributions or make personal expenditures of less than \$2,000. The filing and statement of qualification fees are not included in calculating the \$2,000.

### How to Complete:

All candidates: Complete Parts 1 and 3.  
Candidates for elective state office: Complete Parts 1, 2, and 3.

Exception: Candidates for an election to the State Public Employees Retirement Board and the Teachers' Retirement Board do not complete Part 2.

#### Part 1. Candidate Information

- Enter your name and street address.
- Enter the title of the office sought, agency name and district number if any (e.g., City Council member, City of Smalltown, Dist. 5), and political party affiliation, if seeking a partisan office.
- Check the appropriate box regarding the office's jurisdiction.

#### Part 2. Voluntary Expenditure Ceiling

This section applies to certain candidates for elective state offices, including State Senate and Assembly and statewide offices.

The voluntary expenditure ceiling applicable to your office is set forth in FPPC Regulation 18545. You must state whether you accept or reject the expenditure ceiling. Candidates who accept the voluntary expenditure limit will be designated in either the state ballot pamphlet (statewide candidates) or the voter information portion of the sample ballot (Senate and Assembly candidates) and may purchase space for a 250-word statement there.

You may amend the Form 501 to change your acceptance or rejection of the voluntary expenditure ceiling only under the following circumstances:

- Between the date of filing an initial Form 501 for an election and the deadline for filing nomination papers for that election, you may amend your statement of acceptance or rejection of the voluntary expenditure ceiling no more than two times as long as the limit has not been exceeded.
- If you reject the voluntary expenditure ceiling in the primary or special election but do not exceed the ceiling during that election, you may amend the Form 501 to accept the expenditure ceiling for the general or special runoff election and receive all of the benefits accompanying the acceptance of the expenditure ceiling. The amended Form 501 must be filed within 14 days following the primary or special election.

#### Personal Funds Notification:

You must disclose, if applicable, the date you contribute personal funds to your own campaign that exceed the expenditure ceiling. File an amended Form 501 within 24 hours by guaranteed overnight delivery, personal delivery, or, if applicable, by electronic means.

#### Part 3. Verification

The verification is signed under penalty of perjury.

This form was prepared by the Fair Political Practices Commission (FPPC). For detailed information on campaign reporting requirements and the Information Practices Act of 1977, see the FPPC Campaign Disclosure Manual for your type of committee.

# Candidate Intention Statement

**CALIFORNIA FORM 501**

For Official Use Only

Date Stamp

Check One:  Initial  Amendment (Explain) \_\_\_\_\_

## 1. Candidate Information:

NAME OF CANDIDATE (Last, First, Middle Initial) \_\_\_\_\_ DAYTIME TELEPHONE NUMBER ( ) \_\_\_\_\_ FAX NUMBER (optional) \_\_\_\_\_ E-MAIL (optional) \_\_\_\_\_

STREET ADDRESS \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP CODE \_\_\_\_\_

OFFICE SOUGHT (POSITION TITLE) \_\_\_\_\_ AGENCY NAME \_\_\_\_\_ DISTRICT NUMBER, if applicable.  NON-PARTISAN PARTY: \_\_\_\_\_

OFFICE JURISDICTION  State (Complete Part 2.)  City  County  Multi-County: \_\_\_\_\_ (Name of Multi-County Jurisdiction) \_\_\_\_\_ (Year of Election) \_\_\_\_\_

## 2. State Candidate Expenditure Limit Statement:

(CalPERS and CalSTRS candidates, judges, judicial candidates, and candidates for local offices do not complete Part 2.)

Primary/general election \_\_\_\_\_ (Year of Election) \_\_\_\_\_ Special/runoff election \_\_\_\_\_ (Year of Election) \_\_\_\_\_

(Check one box)

- I accept the voluntary expenditure ceiling for the election stated above.
  - I do not accept the voluntary expenditure ceiling for the election stated above.
- Amendment:  I did not exceed the expenditure ceiling in the primary or special election held on: \_\_\_\_/\_\_\_\_/\_\_\_\_ and I accept the voluntary expenditure ceiling for the general or special run-off election.

(Mark if applicable)

On \_\_\_\_/\_\_\_\_/\_\_\_\_, I contributed personal funds in excess of the expenditure ceiling for the election stated above.

## 3. Verification:

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on \_\_\_\_\_ (month, day, year) Signature \_\_\_\_\_ (Candidate)

## Statement of Organization Recipient Committee

# CALIFORNIA 410 FORM

### When to File

File this form within 10 days of receiving \$2,000 in contributions. Include a \$50 payment made payable to the Secretary of State. Thereafter, the \$50 fee is due annually no later than January 15. In addition to the \$50 fee, a penalty of \$150 may be assessed if payment is late.

For early submissions, mark the "not yet qualified" box. The \$50 fee is requested at this time but is not legally required until the committee qualification threshold has been met.

The committee's FPPC ID number will be posted at [www.sos.ca.gov](http://www.sos.ca.gov). Read instructions carefully as a Form 410 will be rejected if all applicable sections are not completed. All committees must disclose the financial institution and bank account number used by the committee.

### Where to File

#### All Committees:

Original  
Secretary of State  
Political Reform Division  
1500 11th Street, Rm 495  
Sacramento, CA 95814

### County & City

#### Committees:

Also file a copy with the local filing officer who will receive the original campaign statements.

### Amendments

When information contained in the committee's Statement of Organization changes, file an amendment within 10 days of the change with the Secretary of State and local filing officer (if applicable). During the period 16 days before an election, file an amendment within 24 hours as described below.

### 24-Hour Reporting

In addition to the 10-day rule to file an original Form 410:

- A recipient committee that qualifies during the 16 days prior to an election in which it must file pre-election statements must file a Form 410 within 24 hours of qualification with the filing officer who will receive the committee's original disclosure statements.
- A recipient committee that qualifies during the 90 days prior to an election or on the date of the election in which the committee makes independent expenditures of \$1,000 or more to support or oppose a candidate in that election must file the Form 410 within 24 hours of qualification with the filing officer who will receive the committee's original disclosure statements and with the filing officer(s) for the candidate(s) supported or opposed by the independent expenditure.

- If, during the 16 days prior to an election when a committee is required to file pre-election statements, a change occurs in the name of the committee, the treasurer or other principal officers, or the controlling candidate, an amendment must be filed with the filing officer receiving the committee's original campaign statements within 24 hours of the change.

These filings must be made by fax, guaranteed overnight delivery, personal delivery or online (if online filing is available).

### Who Files

Persons (including an officeholder or candidate), organizations, groups, or other entities that raise contributions from others totaling \$2,000 or more in a calendar year to spend on California elections qualify as a recipient committee. They must register with the Secretary of State and report all receipts and expenditures. "Contributions" include monetary payments, loans and non-monetary goods and services received or made for a political purpose.

A nonprofit organization, federal or out-of-state PAC, or other multipurpose organization that makes contributions or expenditures in California elections may also be required to register as a recipient committee with the Secretary of State. See Supplemental Form 410 Instructions.

**Candidates:** The personal funds of a candidate or officeholder used to seek or hold elective office are contributions and count toward qualifying as a recipient committee. However, personal funds used to pay a candidate filing fee or a fee for the statement of qualifications to appear in the ballot pamphlet do not count toward the \$2,000 threshold.

This form was prepared by the Fair Political Practices Commission (FPPC). For detailed information on campaign reporting requirements and the Information Practices Act of 1977, see the FPPC Campaign Disclosure Manual for your type of committee.

**Statement of Organization  
Recipient Committee**

Statement Type  Initial  
Not yet qualified  or

Amendment  
List I.D. number:

Termination - See Part 5  
List I.D. number:

# \_\_\_\_\_ # \_\_\_\_\_

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date qualified as committee

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date qualified as committee  
(if applicable)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date of Termination

Date Stamp

**CALIFORNIA 410  
FORM**

For Official Use Only

**1. Committee Information**

NAME OF COMMITTEE

**2. Treasurer and Other Principal Officers**

NAME OF TREASURER

STREET ADDRESS (NO P.O. BOX) \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP CODE \_\_\_\_\_ AREA CODE/PHONE \_\_\_\_\_

NAME OF ASSISTANT TREASURER, IF ANY \_\_\_\_\_

STREET ADDRESS (NO P.O. BOX) \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP CODE \_\_\_\_\_ AREA CODE/PHONE \_\_\_\_\_

NAME OF PRINCIPAL OFFICER(S) \_\_\_\_\_

STREET ADDRESS (NO P.O. BOX) \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP CODE \_\_\_\_\_ AREA CODE/PHONE \_\_\_\_\_

Attach additional information on appropriately labeled continuation sheets.

**3. Verification**

I have used all reasonable diligence in preparing this statement and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on \_\_\_\_\_ DATE \_\_\_\_\_ By \_\_\_\_\_ SIGNATURE OF TREASURER OR ASSISTANT TREASURER

Executed on \_\_\_\_\_ DATE \_\_\_\_\_ By \_\_\_\_\_ SIGNATURE OF CONTROLLING OFFICERHOLDER, CANDIDATE, OR STATE MEASURE PROponent

Executed on \_\_\_\_\_ DATE \_\_\_\_\_ By \_\_\_\_\_ SIGNATURE OF CONTROLLING OFFICERHOLDER, CANDIDATE, OR STATE MEASURE PROponent

Executed on \_\_\_\_\_ DATE \_\_\_\_\_ By \_\_\_\_\_ SIGNATURE OF CONTROLLING OFFICERHOLDER, CANDIDATE, OR STATE MEASURE PROponent

# Instructions for Statement of Organization

# CALIFORNIA 410 FORM

## Statement Type:

### Initial

The "date qualified" as a committee is the date that the committee received contributions totaling \$2,000 or more during a calendar year.

### Amendment

If any of the information reported on an initial statement of organization changes:

- Mark the amendment box;
- Include the committee's ID number and name;
- Provide the changed information; and
- Complete the verification.

**Candidates:** Under certain circumstances, a candidate for local office may amend the Form 410 to indicate that he or she is seeking another term of the same office (re-election). A candidate for state office must open a separate committee for each term of office and may not amend the Form 410 to redesignate an election committee.

### Termination

List the committee's identification number and indicate the date of termination.

### 1. Committee Information:

Provide the full name of the committee. A committee may use only one name.

The committee's street address must be reported. A post office box is not acceptable. The committee's mailing address must also be reported if it is different from the committee's street address. A post office box is acceptable for the mailing address. A committee's "domicile" is its address as listed on the Form 410. Los Angeles is the county of domicile for committees located outside California.

Identify the jurisdiction where the committee is active. For example a city committee lists the name of the city.

## Committee Name Requirements

The following committee name rules apply to the Form 410, the committee's campaign statements and to any other references to the committee required by law. See the instructions for Part 4 for committee definitions.

**Candidate Controlled Committees (including ballot measure committees):** Any committee that is controlled by a state or local candidate or officeholder must include the last name of the candidate in the name of the committee. In addition, the following rules apply:

- An **election committee** controlled by one or more state or local candidates must also include the office the candidate(s) is seeking and the year of the election (e.g., Friends of Smith for Assembly 20XX, Jones for Council 20XX).
- An **officeholder committee** set up by a state officeholder must also include the office held, the year the officeholder was elected to the current term of office, and the words "Officeholder Account," as part of the committee name (e.g., Anderson Assembly 20XX Officeholder Account).

- A **legal defense fund** set up by a state or local candidate or officeholder must also include the words "Legal Defense Fund" as part of the committee name (e.g., Senator Smith Legal Defense Fund).
- A **ballot measure committee** controlled by one or more state candidates must also state that it is a ballot measure committee (e.g., Senator Lee's Ballot Measure Committee). See additional requirements for primarily formed committees.

**Sponsored Committees:** A sponsored committee (including most political action committees) must include the full name of its sponsor in the name of the committee. If the committee has more than one sponsor and the sponsors are members of an industry or other identifiable group, include a term identifying that industry or group.

## Primarily Formed Committees

**Ballot Measures:** The name of each committee primarily formed to support or oppose a ballot measure must include:

- A statement identifying the ballot measure(s) number or letter and whether it supports or opposes the measure(s) (e.g., Committee For Proposition/Measure \_\_\_ or Committee Against Proposition/Measure \_\_\_).
- The economic or other special interests of its major donors of \$50,000 or more, in descending order based on the amount contributed to the committee. The list of these economic or special interests may not be interspersed with constituencies such as "concerned citizens, or consumers."
- The name of any state or local candidate that contributes \$50,000 or more.

Prior to the designation of the ballot measure number, a primarily formed ballot measure committee controlled by a state candidate must also state that it is a ballot measure committee (e.g., Senator Gomez's Ballot Measure Committee).

**Recalls:** Each committee established for a recall election must include the name of the officeholder subject to the recall. If the committee is not controlled by the officeholder, the committee must state its support or opposition (e.g., Committee Opposing the Recall of Council Member Doe).

**Supporting or Opposing a Candidate:** The name of each committee primarily formed to support or oppose a state or local candidate(s) being voted on in a single election, other than a recall election, must include the name of each candidate, the office sought, the year of the election and must state whether the committee supports or opposes the candidate(s) (e.g., Committee to Support Doe for Senate 20XX).

**Statement of Organization  
Recipient Committee**

INSTRUCTIONS ON REVERSE

**CALIFORNIA  
FORM 410**

Page 2

I.D. NUMBER

COMMITTEE NAME

- All committees must list the financial institution where the campaign bank account is located.

NAME OF FINANCIAL INSTITUTION

AREA CODE/PHONE

BANK ACCOUNT NUMBER

ADDRESS

CITY

STATE

ZIP CODE

**4. Type of Committee.** Complete the applicable sections.

**Controlled Committee**

- List the name of each controlling officeholder, candidate, or state measure proponent. If candidate or officeholder controlled, also list the elective office sought or held, and district number, if any, and the year of the election.
- List the political party with which each officeholder or candidate is affiliated or check "nonpartisan."
- If this committee acts jointly with another controlled committee, list the name and identification number of the other controlled committee.

NAME OF CANDIDATE/OFFICEHOLDER/STATE MEASURE PROponent

ELECTIVE OFFICE SOUGHT OR HELD  
(INCLUDE DISTRICT NUMBER IF APPLICABLE)

YEAR OF ELECTION

PARTY

Nonpartisan

Nonpartisan

**Primarily Formed Committee**

Primarily formed to support or oppose specific candidates or measures in a single election. List below:

CANDIDATE(S) NAME OR MEASURE(S) FULL TITLE (INCLUDE BALLOT NO. OR LETTER)

CANDIDATE(S) OFFICE SOUGHT OR HELD OR MEASURE(S) JURISDICTION  
(INCLUDE DISTRICT NO., CITY OR COUNTY, AS APPLICABLE)

CHECK ONE

SUPPORT

OPPOSE

SUPPORT

OPPOSE

# Instructions for Statement of Organization

# CALIFORNIA 410 FORM

## 2. Treasurer and Other Principal Officers:

A committee may have only one treasurer and one assistant treasurer. A candidate may be his or her own treasurer or assistant treasurer. A committee may not accept a contribution or make an expenditure without a treasurer.

A committee that is not controlled by a candidate or officeholder must disclose the name, street address, and telephone number of the committee's principal officer(s). The principal officer(s) of a committee are the individual(s) primarily responsible for approving the political activity of the committee, including authorizing the content of committee communications, authorizing the committee's contributions and other expenditures, and determining the committee's campaign strategy. If more than three individuals qualify as principal officers of the committee, identify no fewer than three. If no individual other than the committee treasurer qualifies as a principal officer, identify that individual as both the treasurer and the principal officer. An attachment may be necessary.

## 3. Verification:

The committee treasurer or assistant treasurer must sign the Form 410. Also, each controlling officeholder, candidate or state ballot measure proponent must sign the Form 410. If more than three control the committee, one of them may sign on behalf of all controlling individuals. If a candidate will serve as his or her own treasurer, he or she must sign as the candidate and again as the treasurer.

## Bank Account Information

- List the name and address of the financial institution where the campaign bank account is located and the bank account number.

If a campaign bank account is not open at the time of filing an initial Form 410, amend the Form 410 within 10 days of opening the bank account.

## 4. Type of Committee:

### Controlled Committee

A "controlled committee" is one which is controlled directly or indirectly by an officeholder, candidate, or state measure proponent, or which acts jointly with an officeholder, candidate, state measure proponent, or another controlled committee in connection with making expenditures.

A committee is controlled if the officeholder, candidate, or proponent, his/her agent, or any other committee he/she controls, has a significant influence on the actions or decisions of the committee.

"Proponents" of state measures are persons who request the Attorney General to prepare a title and summary of a state initiative, referendum, or measure.

### Candidate Election Committee:

Identify the candidate's name, office, election year and party, if applicable.

### Ballot Measure Committee Controlled by State

Identify each measure on which the committee has spent or anticipates spending \$50,000 or more in the current two-year period, beginning with January 1 of an odd-numbered year. If the ballot designation has not been assigned, describe the purpose of the anticipated measure(s). Amend the Form 410 when a ballot designation is assigned. Provide this information in the primarily formed or general purpose section or on an attachment.

**Legal Defense Committee:** On an attachment, describe the specific legal dispute(s) for which the legal defense fund was established. The Form 410 must be amended within 10 days when legal disputes are either resolved or new disputes are initiated.

### Primarily Formed Committee

A committee is "primarily formed" when it makes or initially plans to make more than 70% of its contributions and expenditures to support or oppose a specific candidate or measure, or a group of measures or specific local candidates all being voted upon in the same election on the same date. (FPPC Regulation 18247.5)

**New committees:** A new committee formed within six months of a statewide regular election or within 30 days of a state special election is presumed to be primarily formed if the committee makes at least \$25,000 in independent expenditures to support or oppose a state candidate or measure. Monthly review is required for other new committees that spend at least \$1,000 a month and were formed within six months of an election in connection with which the committee makes contributions or expenditures.

Quarterly review at the end of March, June, September and December is required for other committees.

A committee controlled by a candidate for his or her own candidacy is not a primarily formed committee.

**State ballot measures - qualification ID number:** Certain committees must list in Section 4, Primarily Formed Committee, the Attorney General's Office assigned identification number to a proposed state ballot measure:

- A committee submitting the title and summary;
- A committee primarily formed for the measure; or
- A committee that spends \$100,000 or more on petition circulation for the measure.

**Recall Committees:** A committee supporting or opposing a recall must list "Recall [Officeholder's Name]," the office held by the recall target officeholder, and mark the appropriate box to indicate whether the committee supports or opposes the recall of the officeholder.

Statement of Organization  
Recipient Committee

INSTRUCTIONS ON REVERSE

Page 3

I.D. NUMBER

COMMITTEE NAME

4. Type of Committee (Continued)

General Purpose Committee

Not formed to support or oppose specific candidates or measures in a single election. Check only one box:

CITY Committee  COUNTY Committee  STATE Committee

PROVIDE BRIEF DESCRIPTION OF ACTIVITY

Sponsored Committee

List additional sponsors on an attachment.

NAME OF SPONSOR

INDUSTRY GROUP OR AFFILIATION OF SPONSOR

STREET ADDRESS

CITY

STATE

ZIP CODE

Small Contributor Committee

\_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
Date qualified

5. Termination Requirements

By signing the verification, the treasurer, assistant treasurer and/or candidate, officer/holder, or proponent certify that all of the following conditions have been met:

- This committee has ceased to receive contributions and make expenditures;
  - This committee does not anticipate receiving contributions or making expenditures in the future;
  - This committee has eliminated or has no intention or ability to discharge all debts, loans received, and other obligations;
  - This committee has no surplus funds; and
  - This committee has filed all campaign statements required by the Political Reform Act disclosing all reportable transactions.
- There are restrictions on the disposition of surplus campaign funds held by elected officers who are leaving office and by defeated candidates. Refer to Government Code Section 89519.
- Leftover funds of ballot measure committees may be used for political, legislative or governmental purposes under Government Code Sections 89511 - 89518, and are subject to Elections Code Section 18680 and FPPC Regulation 18521.5.

# Instructions for Statement of Organization

# CALIFORNIA 410 FORM

## General Purpose Committee

A committee is a "general purpose committee" if its principal activity is supporting or opposing a variety of candidates or measures voted on in different elections. (FPPC Regulation 18227.5)

- A **state committee** makes contributions or expenditures to support or oppose candidates or measures voted on in state elections, or in more than one county; it does not make over 70% of its contributions or expenditures in a single local jurisdiction. State contributions include contributions to other state general purpose committees. All political party committees (including county central committees) are state committees.
- A **county committee** makes more than 70% of its contributions or expenditures to support or oppose candidates or measures voted on in a single county, or in more than one jurisdiction within one county. This includes contributions to other general purpose committees in the same county.
- A **city committee** makes more than 70% of its contributions or expenditures to support or oppose candidates or measures voted on in a single city, or in one consolidated city and county. This includes contributions to other city general purpose committees in the same city.

A city or county committee may make up to four contributions in a calendar year to candidates for elective state office whose districts are within the same jurisdiction and is not required to change its status to a state committee.

A committee that has made contributions or expenditures of \$5,000 or more during a quarter must review its activity at the end of March, June, September and December to determine if the committee is filing reports in the appropriate jurisdiction. During the first six months, a new committee must check its jurisdictional status each

month the committee makes expenditures of \$1,000 or more. If a change of filing locations occurs, reports must be filed in both the new and old jurisdiction through the calendar year.

After marking the appropriate state, county or city box, provide a brief description of the committee's political activities such as whether it supports candidates or measures that share a common political affiliation.

## Sponsored Committee

A "sponsored committee" is a general purpose or primarily formed committee, other than an officeholder or candidate controlled committee, that has one or more sponsors.

An organization, business, or other entity is a sponsor if one or more of the following apply:

- The committee receives 80% or more of its contributions from the entity or organization or its members, officers, employees, or shareholders.
- The entity or organization collects contributions for the committee by use of payroll deductions or dues from its members, officers or employees.
- The entity or organization, alone or in combination with other entities or organizations, provides all or nearly all of the administrative services for the committee.
- The entity or organization, alone or in combination with other entities or organizations, sets the policies for contribution solicitations or payment of expenditures from committee funds.

See the instructions for Part 1 for a sponsored committee's name requirements.

## Small Contributor Committee

A "small contributor committee" is one that has been in existence for more than six months; receives contributions from 100 or more persons; makes

contributions to five or more candidates; and has not received more than \$200 from one person in a calendar year.

## 5. Termination Requirements

Recipient committees may only terminate when:

- They have ceased to receive contributions and make expenditures; and
- They do not anticipate receiving contributions, repayments of outstanding loans made to others, or any other receipts in the future, and they do not anticipate making expenditures in the future; and
- They have eliminated or have no intention or ability to discharge all their debts, loans received, and other obligations; and
- They have no funds; and
- They have filed all required campaign statements disclosing all reportable transactions, including disposition of funds.

**State Candidates:** There are mandatory termination deadlines applicable to your committees.

## How to Terminate

**State Committees:** Complete page one of the Form 410 and mark the termination box. Send the Form and last Form 450 or 460 (mark the termination box) to the Secretary of State.

**Local Committees:** Complete page one of the Form 410, mark the termination box and send the Form to the Secretary of State. Send a copy of the Form 410 and last Form 450 or 460 (mark the termination box) to your city or county filing officer.

## Recipient Committee Campaign Statement

# CALIFORNIA 460 FORM

### The Form 460 is for use by all recipient committees, including:

#### Candidates, Officeholders and Their Controlled Committees

- A candidate or officeholder who has a controlled committee, or who has raised or spent or will raise or spend \$2,000 or more during a calendar year in connection with election to office or holding office. The Form 460 is also required if \$2,000 or more will be raised or spent during the calendar year at the behest of the officeholder or candidate.

#### Primarily Formed Ballot Measure Committees

- A person, entity, or organization that receives contributions totaling \$2,000 or more during a calendar year for the primary purpose of supporting or opposing the qualification, passage, or defeat of a single ballot measure or two or more measures being voted on in the same city, county, multi-county or state election.

#### Primarily Formed Candidate/Officeholder Committees

- A person, entity, or organization that receives contributions totaling \$2,000 or more during a calendar year to support or oppose a single candidate or officeholder, or two or more candidates or officeholders who are being voted upon in the same city, county, or multi-county election. This type of committee is not controlled by the candidate(s) or officeholder(s).

#### General Purpose Committees

- A person, entity, or organization that receives contributions totaling \$2,000 or more during a calendar year to support or oppose various candidates and measures (e.g., political parties, political action committees).

Non-controlled committees that do not receive contributions, loans, or miscellaneous receipts totaling \$100 or more from a single source during a calendar year may use Form 450 – Recipient Committee Campaign Statement – Short Form.

**Note:** Refer to the Statement of Organization, Form 410, for guidance to determine the type of committee.

#### Use the Form 460 to file any of the following:

- Preelection Statement
- Semi-annual Statement
- Quarterly Statement
- Special Odd-Year Report
- Termination Statement
- Amendment to a previously filed statement

**Note:** Mark the preelection statement box if a committee files a monthly report in connection with a LAFCO proposal.

See reverse for general guidance on where to file this form.

**Contribution Limits:** Candidates for elective state office are subject to state contribution limits. Contributions received by committees for the purpose of making contributions to candidates for elective state office are also subject to limits. A chart identifying the limits is located at [www.fppc.ca.gov](http://www.fppc.ca.gov). In addition, local candidates may be subject to contribution limits imposed by local ordinance. Questions concerning local limits should be addressed to election officials in the local jurisdiction.

This form was prepared by the Fair Political Practices Commission (FPPC). For detailed information on campaign reporting requirements and the Information Practices Act of 1977, see the FPPC Campaign Disclosure Manual for your type of committee (available from your filing officer or the FPPC). Campaign filing deadlines, forms, and other informational materials are available on the FPPC website ([www.fppc.ca.gov](http://www.fppc.ca.gov)).

# Instructions for Recipient Committee Campaign Statement

CALIFORNIA  
FORM  
**460**

## Where to File:

In general, state committees file with the Secretary of State and local committees file with the filing officer of the local jurisdiction.

## State Committees:

State committees include state candidates and officeholders, all judicial candidates and judges, committees that support or oppose state candidates and ballot measures (e.g. PACs, political parties), committees that support or oppose candidates and ballot measure in more than one county and candidates and committees formed for CalPERS or CalSTRS elections.

## Secretary of State

Political Reform Division  
1500 11th Street, Room 495  
Sacramento, CA 95814  
Phone (916) 653-6224  
Fax (916) 653-5045  
[www.sos.ca.gov](http://www.sos.ca.gov)

## Additional Copies:

- A copy of this form must also be filed with a state candidate's county of domicile's filing officer, if the state candidate committee does not file Form 460 electronically with the Secretary of State.
- A copy of this form must also be filed with a local filing officer if the committee is controlled by a candidate for state elective office and the committee is formed for a local election.
- A copy of this form must also be filed with the relevant CalPERS or CalSTRS office if the committee is a candidate controlled or a primarily formed committee for a CalPERS

or CalSTRS election. A candidate seeking a CalPERS or CalSTRS election is not required to file a copy of the statement with the candidate's county of domicile.

## Local Committees:

- Elected officers and candidates for local agencies that have jurisdiction in two or more counties and committees that support or oppose candidates or local measures being voted on in one of these jurisdictions, file an original and one copy with the election official for the county with the largest number of registered voters in the district and one copy with their county of domicile.
- Elected county officeholders and candidates for county offices, and committees that support or oppose candidates or ballot measures being voted on within a single county, file an original and one copy with the election official for that county.
- Elected city officeholders and candidates for city offices, and committees that support or oppose candidates and ballot measures in a single city, file an original and one copy with the city clerk.

## Fast Facts:

**Paper Copies:** Most committees must file the original and one copy in paper format with the designated filing officer. Most state committees must also file an electronic version. Some local jurisdictions also require electronic submissions.

**Electronic Filing:** State committees must file electronic reports with the Secretary of State if

the committee receives contributions or makes expenditures totaling \$25,000 or more.

**General Purpose Committees:** FPPC regulation 18227.5 sets out the procedures for determining whether a committee should file with the state, county or city elections office. In general, such committees file with the Secretary of State unless the committee makes more than 70% of its contributions and expenditures in connection with a city election or county election. The regulation sets out review timelines and exceptions. A committee cannot knowingly file in an incorrect jurisdiction with the intention of avoiding the appropriate legal disclosure to the public. Committees that change jurisdictions file in both jurisdictions until the end of the calendar year.

**LAFCO Proposals:** Committees primarily formed to support or oppose a LAFCO proposal file this form with the county elections office in the county that the proposal may be voted upon. Once a proposal is listed on a ballot, a committee will file as a multi-county, county or city committee.

**Statement of Organization:** A committee must make certain that its Statement of Organization, Form 410, is current and correct. This form includes information such as a candidate's year of election and the name of the committee's principal officers as well as other important information regarding the committee's formation. Information listed on a Form 460 must be the same as that disclosed on the Form 410.

# Recipient Committee Campaign Statement Cover Page

COVER PAGE

CALIFORNIA  
FORM

Date Stamp

Page \_\_\_\_\_ of \_\_\_\_\_

For Official Use Only

Date of election if applicable:  
(Month, Day, Year)

Statement covers period

from \_\_\_\_\_  
through \_\_\_\_\_

SEE INSTRUCTIONS ON REVERSE

## 1. Type of Recipient Committee: All Committees – Complete Parts 1, 2, 3, and 4.

- Officeholder, Candidate Controlled Committee  
 State Candidate Election Committee  
 Recall  
(Also Complete Part 5)  
 General Purpose Committee  
 Sponsored  
 Small Contributor Committee  
 Political Party/Central Committee  
 Primarily Formed Ballot Measure Committee  
 Controlled  
 Sponsored  
(Also Complete Part 6)  
 Primarily Formed Candidate/Officeholder Committee  
(Also Complete Part 7)

## 2. Type of Statement:

- Preelection Statement  
 Semi-annual Statement  
 Termination Statement  
(Also file a Form 410 Termination)  
 Amendment (Explain below)

- Quarterly Statement  
 Special Odd-Year Report

## 3. Committee Information

I.D. NUMBER

Treasurer(s)

COMMITTEE NAME (OR CANDIDATE'S NAME IF NO COMMITTEE)

NAME OF TREASURER

STREET ADDRESS (NO P.O. BOX)

MAILING ADDRESS

CITY

STATE

ZIP CODE

AREA CODE/PHONE

CITY

STATE

ZIP CODE

AREA CODE/PHONE

MAILING ADDRESS (IF DIFFERENT) NO. AND STREET OR P.O. BOX

MAILING ADDRESS

CITY

STATE

ZIP CODE

AREA CODE/PHONE

CITY

STATE

ZIP CODE

AREA CODE/PHONE

OPTIONAL: FAX / E-MAIL ADDRESS

OPTIONAL: FAX / E-MAIL ADDRESS

## 4. Verification

I have used all reasonable diligence in preparing and reviewing this statement and to the best of my knowledge the information contained herein and in the attached schedules is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on \_\_\_\_\_ Date  
 Executed on \_\_\_\_\_ Date  
 Executed on \_\_\_\_\_ Date  
 Executed on \_\_\_\_\_ Date

By \_\_\_\_\_ Signature of Treasurer or Assistant Treasurer  
 By \_\_\_\_\_ Signature of Controlling Officer/holder, Candidate, State Measure Proponent or Responsible Officer of Sponsor  
 By \_\_\_\_\_ Signature of Controlling Officer/holder, Candidate, State Measure Proponent  
 By \_\_\_\_\_ Signature of Controlling Officer/holder, Candidate, State Measure Proponent

# Instructions for Recipient Committee Campaign Statement – Cover Page

## Period Covered by a Statement:

The "period covered" by a campaign statement begins the day after the closing date of the last campaign statement filed. For example, if the closing date of the last statement was September 30, the beginning date of the next statement will be October 1.

If this is the committee's first campaign statement, begin with January 1 of the current calendar year.

The closing date of the statement depends on the type of statement you are filing.

## Date of Election:

If you are filing this statement as a pre-election statement in connection with an election, enter the date of the election.

## Type of Recipient Committee:

Check one box to indicate the type of committee filing the statement. General descriptions are provided on the cover sheet to this form, or contact your filing officer or the FPPC for assistance. Following are some additional guidelines:

### Controlled Committee

- A controlled committee is one that is controlled by a candidate, officeholder or, in the case of a state ballot measure committee, by the proponent of the measure. A committee is "controlled" if the candidate, officeholder, or proponent, his or her agent, or any other committee he or she controls, has a significant influence on the actions or decisions of the committee.

## Sponsored Committees

- A sponsored committee is one that has a sponsor—a business entity, organization, union, or other entity—that meets certain criteria. Sponsored ballot measure committees and general purpose committees must include the name of the sponsor in the name of the committee.

## Small Contributor Committees

- This term is significant only if the committee makes contributions to candidates running for elective state office.

## Type of Statement:

Check the appropriate box(es) to indicate the type of statement you are filing (or amending).

**Amendments:** If you are filing an amendment to a previously filed statement, give a brief explanation of the amendment and list the schedules being amended. Include an amended summary page, if applicable. Be sure to enter the period covered of the statement you are amending.

**Termination:** A committee must continue filing campaign statements each year until it is eligible to terminate and files a Form 410 Termination. Most officeholders must continue filing campaign statements until they have terminated all controlled committees and have left office.

## Committee I.D. Number:

If the committee has not yet received an identification number from the Secretary of State, enter "Not Yet Received." File Form 410 to obtain an I.D. Number.

## Verification:

The statement must be signed by the committee treasurer or the assistant treasurer named on the committee's Statement of Organization (Form 410). An officeholder, candidate, or state measure proponent who controls the committee must also sign the statement. If two or three officeholders, candidates, or proponents control the committee, each must sign the statement. If more than three control the committee, one may sign on behalf of the others.

Under certain circumstances, the responsible officer of a sponsoring organization must sign the statement.

## Additional Important Information:

Refer to the FPPC Campaign Disclosure Manual for your type of committee for information about:

- When, where, and what type of statements the committee is required to file.
- Closing date of campaign statements.
- Sponsored committee criteria.
- Termination criteria.
- Recordkeeping requirements and prohibitions.

**Recipient Committee  
Campaign Statement  
Cover Page — Part 2**

**5. Officeholder or Candidate Controlled Committee**

NAME OF OFFICEHOLDER OR CANDIDATE \_\_\_\_\_

OFFICE SOUGHT OR HELD (INCLUDE LOCATION AND DISTRICT NUMBER IF APPLICABLE) \_\_\_\_\_

RESIDENTIAL/BUSINESS ADDRESS (NO. AND STREET) \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

**Related Committees Not Included in this Statement:** *List any committees not included in this statement that are controlled by you or are primarily formed to receive contributions or make expenditures on behalf of your candidacy.*

COMMITTEE NAME	I.D. NUMBER
NAME OF TREASURER	CONTROLLED COMMITTEE? <input type="checkbox"/> YES <input type="checkbox"/> NO
COMMITTEE ADDRESS	STREET ADDRESS (NO P.O. BOX)
CITY	STATE ZIP CODE AREA CODE/PHONE
COMMITTEE NAME	I.D. NUMBER
NAME OF TREASURER	CONTROLLED COMMITTEE? <input type="checkbox"/> YES <input type="checkbox"/> NO
COMMITTEE ADDRESS	STREET ADDRESS (NO P.O. BOX)
CITY	STATE ZIP CODE AREA CODE/PHONE

**6. Primarily Formed Ballot Measure Committee**

NAME OF BALLOT MEASURE \_\_\_\_\_

BALLOT NO. OR LETTER	JURISDICTION	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE
----------------------	--------------	---

**Identify the controlling officeholder, candidate, or state measure proponent, if any.**

NAME OF OFFICEHOLDER, CANDIDATE, OR PROPONENT \_\_\_\_\_

OFFICE SOUGHT OR HELD \_\_\_\_\_ DISTRICT NO. IF ANY \_\_\_\_\_

**7. Primarily Formed Candidate/Officeholder Committee** *List names of officeholder(s) or candidate(s) for which this committee is primarily formed.*

NAME OF OFFICEHOLDER OR CANDIDATE	OFFICE SOUGHT OR HELD	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE
NAME OF OFFICEHOLDER OR CANDIDATE	OFFICE SOUGHT OR HELD	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE
NAME OF OFFICEHOLDER OR CANDIDATE	OFFICE SOUGHT OR HELD	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE
NAME OF OFFICEHOLDER OR CANDIDATE	OFFICE SOUGHT OR HELD	<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE

*Attach continuation sheets if necessary*

**Instructions for  
Recipient Committee  
Campaign Statement – Cover Page**

---

**Officeholder or Candidate Controlled  
Committee:**

Candidates must have a separate bank account and committee to run for different elective offices. A candidate who is required to file campaign statements in connection with more than one elective office but is only receiving contributions and making expenditures for one of the offices, may include both offices on one Form 460. In Part 5 of the cover page, enter the candidate's name and under "Office Sought or Held," identify each office, and state whether the candidate is seeking or holding the office. The Form 460 must be filed with the appropriate filing officer(s) for each office.

For example, a city councilmember is raising funds to run for the county board of supervisors. She has no committee and is not raising or spending funds in connection with the city office, and has formed a controlled committee for the county office. To comply with the requirements to file campaign statements for both her city office and her county candidacy, she may complete one Form 460 each campaign reporting period, which she will file with the city clerk and the county elections department. In Part 5 of the Form 460 Cover Page, under "Office Sought or Held," she will state that she is holding the office of city councilmember (including the name of the city) and that she is seeking a seat on the board of supervisors (including the name of the county).

**Ballot Measure Committee:**

Part 6 of the Form 460 Cover Page must be completed by committees that are primarily formed to support or oppose the qualification or passage of a single ballot measure or two or more measures being voted on in the same city, county, multicounty, or state election. A "general purpose" ballot measure committee (one that supports or opposes a variety of state and/or local ballot measures) is not required to complete Part 6.

# Campaign Disclosure Statement Summary Page

Amounts may be rounded  
to whole dollars.

SUMMARY PAGE

CALIFORNIA  
FORM 460

Statement covers period

from \_\_\_\_\_ through \_\_\_\_\_  
Page \_\_\_\_\_ of \_\_\_\_\_

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER \_\_\_\_\_

I.D. NUMBER \_\_\_\_\_

## Contributions Received

Column B  
CALENDAR YEAR  
TOTAL TO DATE

Column A  
TOTAL THIS PERIOD  
(FROM ATTACHED SCHEDULES)

- |                                      |                    |          |          |
|--------------------------------------|--------------------|----------|----------|
| 1. Monetary Contributions.....       | Schedule A, Line 3 | \$ _____ | \$ _____ |
| 2. Loans Received.....               | Schedule B, Line 3 | \$ _____ | \$ _____ |
| 3. SUBTOTAL CASH CONTRIBUTIONS.....  | Add Lines 1 + 2    | \$ _____ | \$ _____ |
| 4. Nonmonetary Contributions.....    | Schedule C, Line 3 | \$ _____ | \$ _____ |
| 5. TOTAL CONTRIBUTIONS RECEIVED..... | Add Lines 3 + 4    | \$ _____ | \$ _____ |

## Expenditures Made

- |   |                      |          |          |
|---|----------------------|----------|----------|
| 6. Payments Made.....                   | Schedule E, Line 4   | \$ _____ | \$ _____ |
| 7. Loans Made.....                      | Schedule H, Line 3   | \$ _____ | \$ _____ |
| 8. SUBTOTAL CASH PAYMENTS.....          | Add Lines 6 + 7      | \$ _____ | \$ _____ |
| 9. Accrued Expenses (Unpaid Bills)..... | Schedule F, Line 3   | \$ _____ | \$ _____ |
| 10. Nonmonetary Adjustment.....         | Schedule C, Line 3   | \$ _____ | \$ _____ |
| 11. TOTAL EXPENDITURES MADE.....        | Add Lines 8 + 9 + 10 | \$ _____ | \$ _____ |

## Current Cash Statement

- |  |   |          |
|--|---|----------|
| 12. Beginning Cash Balance.....          | Previous Summary Page, Line 16                | \$ _____ |
| 13. Cash Receipts.....                   | Column A, Line 3 above                        | \$ _____ |
| 14. Miscellaneous Increases to Cash..... | Schedule I, Line 4                            | \$ _____ |
| 15. Cash Payments.....                   | Column A, Line 8 above                        | \$ _____ |
| 16. ENDING CASH BALANCE.....             | Add Lines 12 + 13 + 14, then subtract Line 15 | \$ _____ |
- If this is a termination statement, Line 16 must be zero.*

To calculate Column B, add amounts in Column A to the corresponding amounts from Column B of your last report. Some amounts in Column A may be negative figures that should be subtracted from previous period amounts. If this is the first report being filed for this calendar year, only carry over the amounts from Lines 2, 7, and 9 (if any).

- |                                   |                    |          |
|-----------------------------------|--------------------|----------|
| 17. LOAN GUARANTEES RECEIVED..... | Schedule B, Part 2 | \$ _____ |
|-----------------------------------|--------------------|----------|

## Cash Equivalents and Outstanding Debts

- |                            |                                       |          |
|----------------------------|---------------------------------------|----------|
| 18. Cash Equivalents.....  | See instructions on reverse           | \$ _____ |
| 19. Outstanding Debts..... | Add Line 2 + Line 9 in Column B above | \$ _____ |

## Calendar Year Summary for Candidates Running in Both the State Primary and General Elections

- |                            |          |                  |             |
|----------------------------|----------|------------------|-------------|
| 20. Contributions Received | \$ _____ | 1/1 through 6/30 | 7/1 to Date |
| 21. Expenditures Made      | \$ _____ |                  |             |

## Expenditure Limit Summary for State Candidates

22. Cumulative Expenditures Made\*  
(If Subject to Voluntary Expenditure Limit)

- |                                |                       |               |          |
|--------------------------------|-----------------------|---------------|----------|
| Date of Election<br>(mm/dd/yy) | _____ / _____ / _____ | Total to Date | \$ _____ |
|                                | _____ / _____ / _____ |               | \$ _____ |

\*Amounts in this section may be different from amounts reported in Column B.

# Instructions for Summary Page Campaign Disclosure Statement

The Summary Page provides an overview of the committee's financial activities and is completed for each filing.

**Column A** reflects activities during the current reporting period as reported on Schedules A through H. It is not necessary to attach a blank schedule if there has been no reportable activity during the period, but it is necessary to enter a zero or the word "none" on the appropriate line in Column A of the Summary Page.

**Column B** figures should reflect the cumulative total since January 1 of the current calendar year.\* Add the totals from Column B of the committee's last campaign statement (if any) to the corresponding amounts in Column A. If this is the first report being filed for a calendar year, only carry forward the amounts reported on Lines 2, 7, and 9 of Column B (if any) from the committee's last statement. (Note: The amounts reported on Lines 2, 7, and 9 of Column B should be the same as the total outstanding amounts disclosed in column (d) of Schedules B, F, and H, respectively, of the current report.)

When loans (Schedules B and H) and accrued expenses (Schedule F) are paid, the figures to be carried from the schedules to Lines 2, 7, and 9 of Column A may be negative numbers. In this case, be sure to show them as negative figures on the Summary Page (e.g., with a minus sign (-) or in parentheses), and subtract them when totaling Columns A and B.

\*There are exceptions to the calendar year "cumulation period" for candidate elections and ballot measure elections held in January and early February, and for ballot measure qualification

activities. Consult the FPPC Campaign Disclosure Manual for your type of committee for additional information.

## Current Cash Statement:

Lines 12-16 of the Summary Page should accurately reflect your current cash position. Beginning and ending cash balances should include the total amount of funds in your campaign checking and savings accounts, plus any investments that can be readily converted to cash, such as certificates of deposit, money market accounts, stocks and bonds, etc. (Officeholders and candidates are subject to bank account restrictions, and all committees should read the FPPC Campaign Disclosure Manual regarding appropriate uses of campaign funds.)

Line 12 (Beginning Cash Balance) must be the same as the ending cash balance reported on Line 16 of your previous statement's Summary Page. If this is your first campaign statement, enter zero on Line 12.

Line 16 (Ending Cash Balance) is the total of Lines 12, 13, and 14, minus Line 15.

**If you are filing a termination statement, Line 16 must be zero.**

## Cash Equivalents:

"Cash equivalents" include investments that cannot be readily converted to cash, as well as the balance due on all outstanding loans the committee has made to others (from Line 7 of Column B of the Summary Page). Investments that can be readily converted to cash, such as certificates of deposit or money market funds, should be included in the cash

on hand figures on Lines 12 and 16 of the Summary Page.

## Summary for Primary and General Elections (Lines 20 and 21):

This section is only for committees that are:

- Controlled by a candidate who is being voted on in both the state primary and general elections (does not apply to controlled ballot measure committees); or
- Primarily formed to support or oppose candidates being voted on in both the state primary and general elections.

Complete this summary on the preelection and semi-annual statements for the general election, covering periods during the last six months of the year (July 1 – December 31).

## Expenditure Ceiling Summary for State Candidates (Line 22):

Candidates for elective state office who have accepted the voluntary expenditure ceiling for a particular election must disclose the total amount of expenditures made through the end of the reporting period that are subject to the expenditure ceiling for the election. Report the date of the election and total amount expended for that election. Report totals for the primary and general elections separately. This information is no longer required if the expenditure ceiling has been lifted. (See FPPC Campaign Disclosure Manual 1.)

# Schedule A Monetary Contributions Received

Amounts may be rounded to whole dollars.

SCHEDULE A

## CALIFORNIA FORM 460

Statement covers period from \_\_\_\_\_ through \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER \_\_\_\_\_

I.D. NUMBER \_\_\_\_\_

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
				<b>SUBTOTAL \$</b>		

### Schedule A Summary

- Amount received this period – itemized monetary contributions.  
(Include all Schedule A subtotals.) .....\$ \_\_\_\_\_
- Amount received this period – unitemized monetary contributions of less than \$100 .....\$ \_\_\_\_\_
- Total monetary contributions received this period.  
(Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Line 1.) ..... **TOTAL \$** \_\_\_\_\_

\*Contributor Codes  
 IND – Individual  
 COM – Recipient Committee (other than PTY or SCC)  
 OTH – Other (e.g., business entity)  
 PTY – Political Party  
 SCC – Small Contributor Committee

# Instructions for Schedule A Monetary Contributions Received

CALIFORNIA  
FORM  
**460**

Report monetary contributions (except loans) received during the reporting period on Schedule A. Also report on Schedule A if a contributor forgives a loan for your committee or a third party pays a loan for your committee. Loans received during the period are reported on Schedule B. Certain transfers between a state candidate's controlled committees are also disclosed on Schedule A. (See FPPC Campaign Disclosure Manual 1.)

If a total of \$100 or more is received from a single contributor during a calendar year, report the name, street address, city, state and zip code of the contributor, the amount contributed this period, and the cumulative amount received from the contributor since January 1 of the current calendar year.\* Include monetary and nonmonetary contributions and loans when reporting the cumulative amount.

Contributions totaling less than \$100 received from a single contributor during a calendar year are reported as a lump sum on Line 2 of the Schedule A Summary.

\*There are exceptions to the calendar year "cumulation period" for candidate elections and ballot measure elections held in January and early February, and for ballot measure qualification activities. (See the FPPC Campaign Disclosure Manuals for candidates and ballot measure committees.)

## Date Received:

A monetary contribution has been received when the candidate or committee, or an agent of the candidate or committee, receives or obtains control of the check or other negotiable instrument. There are special rules for reporting the date contributions are received by a committee that collects contributions through employee payroll deductions

or membership dues and contributions received electronically (e.g., credit card, text).

## Contributor Codes:

For each itemized contributor, check the applicable contributor code:

**IND** — contributions from any individual's personal funds.

**COM** — contributions from other committees that receive contributions. These committees will have an identification number assigned by the Secretary of State. Examples: political action committees, other candidates' committees. (State committees should use PTY or SCC when appropriate.)

**OTH** — business entities and other contributors.

**PTY** — contributions from political parties (including state and county central committees).

**SCC** — contributions from small contributor committees (applicable only to state candidates and committees).

## Contributions from Individuals:

When itemizing a contribution from an individual, also disclose the contributor's occupation and the name of his or her employer. If the contributor is self-employed, provide the name of his or her business. If the contributor is not employed, enter "none."

It is not necessary to enter occupation and employer information for other types of contributors (such as business entities).

**Missing Contributor Information:** A contribution of \$100 or more must be returned to the contributor within 60 days if the recipient does not obtain the contributor's address, occupation and employer.

## Contributions from Committees:

When itemizing a contribution from another recipient committee, disclose the identification number assigned to that committee by the Secretary of State in addition to its name and address. If no ID number has been assigned, provide the name and address of that committee's treasurer.

## Intermediaries:

If you receive a contribution through an intermediary (i.e., you have received a contribution check from a person other than the true source of the funds), disclose all of the required information for both the intermediary and the actual contributor.

## Per Election to Date:

Candidates subject to state contribution limits (or if required by local ordinance) must disclose the cumulative amount received from each contributor during the limitation cycle in addition to the calendar year cumulative amount. (Candidates for elective state office should refer to FPPC Campaign Disclosure Manual 1.)

## Additional Important Information:

Refer to the FPPC Campaign Disclosure Manual for your type of committee for important information about aggregating monetary and nonmonetary contributions, recordkeeping, prohibitions on cash contributions, returning contributions, and more.

# Schedule A (Continuation Sheet) Monetary Contributions Received

Amounts may be rounded  
to whole dollars.

SCHEDULE A (CONT.)

Statement covers period

**CALIFORNIA FORM 460**

from \_\_\_\_\_ through \_\_\_\_\_  
Page \_\_\_\_\_ of \_\_\_\_\_  
I.D. NUMBER \_\_\_\_\_

NAME OF FILER \_\_\_\_\_

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				
<b>SUBTOTAL \$</b>						

\*Contributor Codes  
 IND – Individual  
 COM – Recipient Committee  
 OTH – Other (e.g., business entity)  
 PTY – Political Party  
 SCC – Small Contributor Committee

Statement covers period  
from \_\_\_\_\_ through \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_  
I.D. NUMBER \_\_\_\_\_

Amounts may be rounded  
to whole dollars.

**Schedule B - Part 1  
Loans Received**

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER \_\_\_\_\_

FULL NAME, STREET ADDRESS AND ZIP CODE OF LENDER (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	(a) OUTSTANDING BALANCE BEGINNING THIS PERIOD	(b) AMOUNT RECEIVED THIS PERIOD	(c) AMOUNT PAID OR FORGIVEN THIS PERIOD*	(d) OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD	(e) INTEREST PAID THIS PERIOD	(f) ORIGINAL AMOUNT OF LOAN	(g) CUMULATIVE CONTRIBUTIONS TO DATE	
									<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC <input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC <input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC
		\$ _____	\$ _____	<input type="checkbox"/> PAID \$ _____ <input type="checkbox"/> FORGIVEN \$ _____	\$ _____ DATE DUE _____	\$ _____ RATE _____	\$ _____ DATE INCURRED _____	\$ _____ PER ELECTION** \$ _____ PER ELECTION**	
		\$ _____	\$ _____	<input type="checkbox"/> PAID \$ _____ <input type="checkbox"/> FORGIVEN \$ _____	\$ _____ DATE DUE _____	\$ _____ RATE _____	\$ _____ DATE INCURRED _____	\$ _____ PER ELECTION** \$ _____ PER ELECTION**	
		\$ _____	\$ _____	<input type="checkbox"/> PAID \$ _____ <input type="checkbox"/> FORGIVEN \$ _____	\$ _____ DATE DUE _____	\$ _____ RATE _____	\$ _____ DATE INCURRED _____	\$ _____ PER ELECTION** \$ _____ PER ELECTION**	
<b>SUBTOTALS</b>							\$ _____	\$ _____	\$ _____

(Enter (e) on  
Schedule E, Line 3)

**Schedule B Summary**

- Loans received this period ..... \$ \_\_\_\_\_  
(Total Column (b) plus unitemized loans of less than \$100.)
- Loans paid or forgiven this period ..... \$ \_\_\_\_\_  
(Total Column (c) plus loans under \$100 paid or forgiven.)  
(Include loans paid by a third party that are also itemized on Schedule A.)
- Net change this period. (Subtract Line 2 from Line 1.) ..... **NET \$** \_\_\_\_\_  
Enter the net here and on the Summary Page, Column A, Line 2.

†Contributor Codes  
 IND - Individual  
 COM - Recipient Committee  
 (other than PTY or SCC)  
 OTH - Other (e.g., business entity)  
 PTY - Political Party  
 SCC - Small Contributor Committee

\*Amounts forgiven or paid by another party also must be reported on Schedule A.  
 \*\* If required.

# Instructions for Schedule B – Part 1 Loans Received

All loans received or outstanding are reported on Schedule B. Loans include monetary loans and amounts drawn on lines of credit.

Report loan guarantors on Schedule B – Part 2. A “guarantor” is a third party that co-signs, endorses, or provides security for a loan, or establishes or provides security for a line of credit. A guarantor is also making a contribution.

When a state candidate guarantees a loan from a commercial lending institution in connection with his or her election, both the lending institution and the candidate are required to be disclosed as the lender.

For each loan of \$100 or more that was received or was outstanding during the reporting period, disclose the lender’s name and address. Report the original source of all loans received. E.g., for a loan from a commercial lending institution for which a candidate is personally liable, report the lending institution as the lender.

Column (a) – Enter the outstanding loan balance at the beginning of this period (Column (d) of last report). If the loan was received this period, this column will be blank.

Column (b) – Enter the amount received from the lender during this reporting period. If this loan was received in a previous reporting period, leave blank.

Column (c) – Enter the amount of any reduction of the loan during this reporting period. Check whether the loan was paid or forgiven. When the lender forgives a loan or a third party makes a payment on a loan, also report the lender or third party on Schedule A.

Column (d) – Enter the outstanding balance of the loan at the close of this reporting period. Enter the due date, if any.

Column (e) – Enter the interest rate and the amount of interest paid on the loan(s) during this reporting period. Interest paid is reported separately from payments made on the loan principal. Interest payments are also transferred to the Schedule E Summary.

Column (f) – Enter the original amount of the loan and date received. If this is the first time you are reporting the loan, this will be the same amount reported in Column (b).

Column (g) – Enter the cumulative amount of contributions (loans, monetary and nonmonetary contributions) received from the lender during the calendar year covered by this statement. Candidates subject to state contribution limits (or if required by local ordinance) must disclose the cumulative amount received from each contributor during the limitation cycle in addition to the calendar year cumulative amount. (Candidates for elective state office should refer to FPPC Campaign Disclosure Manual 1.)

## Schedule B Summary:

The Schedule B Summary reflects the “net change” in your loan activity. That is, loan payments made during the period are subtracted from new loans received. When the loan payments number is larger than the amount of new loans received, Line 3 will be a negative figure. For example, if \$200 is paid during the period and only \$100 is received in new loans, report the net change on Line 3 as

“-\$100” or “(\$100).” Be sure to carry this figure to the Summary Page as a negative figure to be subtracted from Summary Page totals.

## Additional Important Information:

Refer to the Instructions for Schedule A for important information about:

- Contributor codes
- Contributions from individuals
- Contributions from committees
- Intermediaries

A loan received from a commercial lending institution in the normal course of business is reportable on Schedule B but is not considered a contribution. Contributor codes and cumulative amounts (Column (g)) are required only for loans that are contributions.

Refer to the FPPC Campaign Disclosure Manual for your type of committee for important information about recordkeeping, prohibitions on cash contributions, returning contributions, and more.

**Schedule B -- Part 2  
Loan Guarantors**

Amounts may be rounded  
to whole dollars.

SCHEDULE B - PART 2

**CALIFORNIA 460  
FORM**

Statement covers period

from \_\_\_\_\_

through \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER \_\_\_\_\_

I.D. NUMBER \_\_\_\_\_

FULL NAME, STREET ADDRESS AND ZIP CODE OF GUARANTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	LOAN	AMOUNT GUARANTEED THIS PERIOD	CUMULATIVE TO DATE	BALANCE OUTSTANDING TO DATE
	<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		LENDER _____  DATE _____		CALENDAR YEAR _____ \$ _____ PER ELECTION (IF REQUIRED) _____ \$ _____	
	<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		LENDER _____  DATE _____		CALENDAR YEAR _____ \$ _____ PER ELECTION (IF REQUIRED) _____ \$ _____	
	<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		LENDER _____  DATE _____		CALENDAR YEAR _____ \$ _____ PER ELECTION (IF REQUIRED) _____ \$ _____	
	<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		LENDER _____  DATE _____		CALENDAR YEAR _____ \$ _____ PER ELECTION (IF REQUIRED) _____ \$ _____	

**SUBTOTAL \$**

Enter on Summary Page, Line 17 only.

**Instructions for  
Schedule B – Part 2  
Loan Guarantors**

Guarantors of loans received or outstanding during the reporting period are reported on Schedule B – Part 2. A “guarantor” is a third party that co-signs, endorses, or provides security for a loan, or establishes or provides security for a line of credit. A guarantor is also making a contribution.

For each guarantor of \$100 or more, enter the name and address of the guarantor and, if the guarantor is an individual, his/her occupation and employer or, if self employed, the name of his/her business.

Enter the name of the lender or the entity at which a line of credit was established and the date of the loan or the date the line of credit was established.

Enter the amount guaranteed this period, if applicable. For lines of credit, enter the full amount established or secured by the guarantor during the period. (Report amounts **drawn** on a line of credit on Schedule B – Part 1.)

Enter the cumulative amount guaranteed during the calendar year covered by the statement. Candidates subject to state contribution limits (or if required by local ordinance) must disclose the cumulative amount received from each contributor during the limitation cycle in addition to the calendar year cumulative amount. (Candidates for elective state office should refer to FPPC Campaign Disclosure Manual 1.)

Report the outstanding balance for which the guarantor is liable at the close of this reporting period.

Loan guarantees are not included in the Schedule B Summary, but are carried forward in a lump sum to Line 17 of the Summary Page.

# Schedule C Nonmonetary Contributions Received

Amounts may be rounded  
to whole dollars.

SCHEDULE C

**CALIFORNIA 460  
FORM**

Statement covers period

from \_\_\_\_\_  
through \_\_\_\_\_

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_

I.D. NUMBER \_\_\_\_\_

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	DESCRIPTION OF GOODS OR SERVICES	AMOUNT/ FAIR MARKET VALUE	CUMULATIVE TO DATE CALENDAR YEAR (JAN 1 - DEC 31)	PER ELECTION TO DATE (IF REQUIRED)
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC					
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC					
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC					
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC					
<b>SUBTOTAL \$</b>							

Attach additional information on appropriately labeled continuation sheets.

## Schedule C Summary

- Amount received this period – itemized nonmonetary contributions.  
(Include all Schedule C subtotals.) .....\$ \_\_\_\_\_
- Amount received this period – unitemized nonmonetary contributions of less than \$100 .....\$ \_\_\_\_\_
- Total nonmonetary contributions received this period.  
(Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Lines 4 and 10.) .....**TOTAL \$** \_\_\_\_\_

\*Contributor Codes  
 IND – Individual  
 COM – Recipient Committee  
 (other than PTY or SCC)  
 OTH – Other (e.g., business entity)  
 PTY – Political Party  
 SCC – Small Contributor Committee

# Instructions for Schedule C Nonmonetary Contributions Received

Report the receipt of nonmonetary contributions on Schedule C.

Nonmonetary contributions include:

- Goods and services for which you have not paid the fair market value, including items donated for auctions or garage sales, such as artwork or furniture.
- A discount that is not available to the public generally.
- Salary payments made by an employer for an employee who spends 10% or more of his or her compensated time in a calendar month working for your committee.

Volunteer personal services and payments voluntarily made by a person for his or her own campaign-related travel expenses are not reportable. The occupant of a home or office can host a fundraiser without making a nonmonetary contribution as long as the total cost of the fundraiser is \$500 or less.

If a total of \$100 or more is received from a single contributor during a calendar year, report the name, street address, city, state and zip code of the contributor, the amount contributed this period, and the cumulative amount received from the contributor since January 1 of the current calendar year. Include monetary and nonmonetary contributions and loans when reporting the cumulative amount.

Contributions totaling less than \$100 received from a single contributor during a calendar year are reported as a lump sum on Line 2 of the Schedule C Summary.

## Date Received:

A nonmonetary contribution has been received on the earlier of the following: 1) the date the contributor made an expenditure for goods or services at your behest (in consultation or coordination with you, or at your request or suggestion); or 2) the date you or your agent obtained possession or control of the goods or services.

## Per Election to Date:

Candidates subject to state contribution limits (or if required by local ordinance) must disclose the cumulative amount received from each contributor during the limitation cycle in addition to the calendar year cumulative amount. (Candidates for elective state office should refer to FPPC Campaign Disclosure Manual 1.)

## Fair Market Value:

The fair market value of a nonmonetary contribution is the amount it would cost to purchase the goods or services on the open market. The fair market value can be more than the amount it cost the contributor to provide the goods or services to you.

If you do not know the value of a nonmonetary contribution, you may request the contributor to provide you with a written statement of the value. If you make a request in writing and the value of the contribution is \$100 or more, the contributor is required by law to provide the information.

## Administrative Services:

Administrative overhead and start-up expenses paid by a sponsoring organization for its sponsored committee are not contributions to the committee but must be reported on Schedule C. Report the value of the services in the "Description of Goods or Services" column and a zero in the "Amount" and "Cumulative to Date" columns.

## Nonmonetary Contributions as Expenditures:

The total of nonmonetary contributions is reported on the Summary Page as both contributions received and expenditures made. Enter the total on Line 3 of the Schedule C Summary on both Lines 4 and 10 of the Summary Page. (State Candidates: Most nonmonetary contributions also count for purposes of the voluntary expenditure limits.)

## Additional Important Information:

Refer to the instructions for Schedule A for important information about:

- Contributor codes
- Contributions from individuals
- Contributions from committees
- Intermediaries

Refer to the FPPC Campaign Disclosure Manual for your type of committee for important information about aggregating monetary and nonmonetary contributions, recordkeeping, and more.

**Schedule D**  
**Summary of Expenditures**  
**Supporting/Opposing Other**  
**Candidates, Measures and Committees**

Amounts may be rounded  
to whole dollars.

SCHEDULE D

**CALIFORNIA 460**  
**FORM**

Statement covers period

from \_\_\_\_\_

through \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER \_\_\_\_\_

I.D. NUMBER \_\_\_\_\_

DATE	NAME OF CANDIDATE, OFFICE, AND DISTRICT, OR MEASURE NUMBER OR LETTER AND JURISDICTION, OR COMMITTEE	TYPE OF PAYMENT	DESCRIPTION (IF REQUIRED)	AMOUNT THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				
<b>SUBTOTAL \$</b>						

**Schedule D Summary**

- Itemized contributions and independent expenditures made this period. (Include all Schedule D subtotals.) ..... \$ \_\_\_\_\_
- Unitemized contributions and independent expenditures made this period of under \$100..... \$ \_\_\_\_\_
- Total contributions and independent expenditures made this period. (Add Lines 1 and 2. Do not enter on the Summary Page.) ..... **TOTAL** .. \$ \_\_\_\_\_

# Instructions for Schedule D Summary of Expenditures Supporting/Opposing Other Candidates, Measures, and Committees

- Schedule D is a summary of payments reported on Schedules E, F, and H that are contributions or independent expenditures to support or oppose candidates and committees. These include:
- A direct monetary contribution or loan made to another candidate or committee.
  - A payment made to a vendor for goods or services for a candidate or committee (a nonmonetary contribution).
  - A donation to a candidate or committee of goods on hand, or the payment of salary or expenses for a campaign employee who spends 10% or more of his or her compensated time working for another candidate or committee.
  - A payment made for a communication (e.g., a mailing, billboard, radio ad) that expressly advocates the election, passage or defeat of a clearly identified candidate or ballot measure, but the payment is not made to—or at the behest of—the candidate or a ballot measure committee. These payments are “independent expenditures” and may trigger additional reports for your committee.

If a total of \$100 or more is contributed or expended during a calendar year to support or oppose a single candidate, ballot measure, or a general purpose committee (e.g., a political party), disclose the name of the candidate and the office sought or held and the candidate’s district, if any, the number or letter and jurisdiction of the ballot measure, or the name of the general purpose committee. For each candidate or measure listed, indicate whether the payment was made to support or oppose the candidate or measure. For example, if you made a contribution to the Committee Against Measure A, check the “Oppose” box.

Disclose the date(s) and amount(s) of contributions or independent expenditures made this period relative to each candidate, measure, or committee, and the cumulative amount contributed or paid to date relative to the candidate, measure, or committee since January 1 of the current calendar year. Cumulate contributions and independent expenditures separately.

Contributions and expenditures of less than \$100 to support or oppose a single candidate or measure during a calendar year are totaled and reported as a lump sum on Line 2 of the Schedule D Summary.

### Per Election to Date:

If a contribution is made to a candidate that is subject to state contribution limits (or if required by local ordinance), disclose the total amount contributed to the committee in connection with each limitation cycle and identify the election year. The primary and general elections are separate elections. For example, a \$4,200 contribution to a candidate for the primary election in 2016 would be disclosed as “\$4,200 P-16.”

"Per Election to Date" Column	
Limitation Cycle	Year of Election
Primary P	2016 16
General G	2017 17
Special S	2018 18
Runoff R	2019 19

### Description:

If you contributed goods on hand to another candidate or committee (e.g., office supplies), describe the goods or services in the “Description” column and disclose the fair market value of the contribution. The fair market value is the amount it would cost the recipient to purchase the goods or services. Because payments must be described when they are reported on Schedules E and F, you need not provide a description on Schedule D for payments reported on Schedules E or F that are nonmonetary contributions or independent expenditures.

### Date of Contribution or Expenditure:

A monetary contribution is made on the date it is mailed, delivered, or otherwise transmitted to the candidate or committee. A nonmonetary contribution is made on the earlier of the following: 1) the date you made an expenditure for goods or services at the behest of the candidate or committee; or 2) the date the candidate or committee obtained possession or control of the goods or services.

### Additional Important Information:

Refer to the FPPC Campaign Disclosure Manual for your type of committee for important information about recordkeeping, prohibitions on cash payments, restrictions on the use of campaign funds, and more.

**Schedule D  
(Continuation Sheet)  
Summary of Expenditures  
Supporting/Opposing Other  
Candidates, Measures and Committees**

Amounts may be rounded  
to whole dollars.

SCHEDULE D (CONT.)

**CALIFORNIA 460  
FORM**

Statement covers period

from \_\_\_\_\_

through \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_

NAME OF FILER \_\_\_\_\_

I.D. NUMBER \_\_\_\_\_

DATE	NAME OF CANDIDATE, OFFICE, AND DISTRICT, OR MEASURE NUMBER OR LETTER AND JURISDICTION, OR COMMITTEE	TYPE OF PAYMENT	DESCRIPTION (IF REQUIRED)	AMOUNT THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				
	<input type="checkbox"/> Support <input type="checkbox"/> Oppose	<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure				

**SUBTOTAL \$**



# Instructions for Schedule E Payments Made

Report payments on Schedule E (other than loans).

For each payment of \$100 or more made during the period, report the name and street address, city, state, and zip code of the payee or creditor, and the amount paid during the period. Payments of less than \$100 during the period are reported as a lump sum on Line 2 of the Schedule E Summary. However, if two or more payments under \$100 were made for a single product or service and the total paid during the period was \$100 or more, itemize the total amount paid during the period.

**Report payments made on accrued expenses. Also report the required information on Schedule F.**

### Code or Description of Payment:

If one of the codes listed on Schedule E fully describes the payment, enter the code. A full description of each code is provided on the back of the Schedule E-Continuation Sheet. If none of the codes fully explains the payment, leave the "Code" column blank and enter a brief description of the goods or services purchased in the "Description of Payment" column.

### Credit Card Payments:

Disclose the name, address, and amount paid to the credit card company during the period. Also disclose the name, address, amount paid, and code or description of payment for each vendor paid \$100 or more. You may disclose the vendor payments on Schedule E or Schedule G.

### Payments by Agents and Independent Contractors:

When an agent or independent contractor (e.g., campaign worker, advertising agency, campaign management firm) makes payments on your behalf ("subvendor payments"), disclose the name, address, amount paid, and code or description of payment for each vendor paid \$500 or more. Disclose payments to the agent or independent contractor on Schedule E. You may disclose the subvendor payments on Schedule E or Schedule G.

### Candidates:

- Candidates must briefly describe the political, legislative, or governmental purpose of an itemized expenditure for gifts, meals, and travel payments. FPPC Regulation 18421.7 sets out the requirements.
- Candidate controlled ballot measure committee funds may only be used to make payments related to a state or local measure or potential measure (including qualification activities) anticipated by the committee. See FPPC regulation 18521.5.

### Loans:

Report interest paid on loans received on Line 3 of the Schedule E Summary (from Schedule B, Part 1, Column (e)).

Report payments made on loans received on Schedule B and loans made to others on Schedule H. Do not report on Schedule E.

### Savings Accounts/Certificates of Deposit/Money Market Accounts:

Do not report transfers of campaign funds into savings accounts, certificates of deposit, money market accounts, or the purchase of any other asset that can readily be converted to cash on Schedule E. Continue reporting these amounts as part of your cash on hand on the Summary Page.

### Ballot Measure Committees

A ballot measure committee that makes a payment to any business entity (1) which is owned 50 percent or more by any of the individuals listed below, or (2) in which any of the individuals listed below is an officer, partner, consultant or employee, must report that individual's name, relationship to the committee, and a description of the ownership interest or position with the business entity. Individuals covered by (1) and (2) above include:

- A candidate or person controlling the committee; or
- An officer or employee of the committee; or
- The spouse of any of the above.



## Instructions for Schedule E (Continued) Payments Made

CALIFORNIA  
FORM  
**460**

### Codes:

**CMP: Campaign paraphernalia/misc.** Lawn signs, buttons, bumper stickers, T-shirts, potholders, etc. Includes costs of election night event.

**CNS: Campaign consultants.** Fees and commissions paid to professional campaign management or consulting firms.

**CTB: Contributions.** Contributions made to other candidates and committees. Use "CTB" for direct monetary contributions. For nonmonetary (in-kind) contributions, use "CTB" and, if one of the other codes accurately describes the expenditure, you may enter that code also. Otherwise, describe the payment. Also provide the name of the candidate or committee that received the nonmonetary contribution in the "Description of Payment" column.\*

**CVC: Civic donations.** Donations to civic, nonprofit or education organizations; payments for community events.

**FIL: Candidate Filing/Ballot Fees.** Payments to election officials for candidate filing fees and fees charged for publication of a ballot statement.

**FND: Fundraising events.** Expenditures associated with holding a fundraising event, including payments for event space to hotels or halls, payments for food and beverages to restaurants, caterers and other vendors, and payments for speakers, entertainment, and decorations. Includes costs of house parties. (Use "LIT" for costs of invitations, brochures, and solicitations associated with fundraising events.)

**IND: Independent expenditures.** Payments for communications that support/oppose other candidates or measures that are not made in consultation or coordination with the candidates or a ballot measure committee. Use "IND" and, if one of the other codes accurately describes

the independent expenditure, you may enter that code also. Otherwise, describe the payment. Also provide the name of the candidate or ballot measure supported or opposed by the expenditure.\*

**LEG: Legal Defense.** Attorney or other fees paid for legal defense.

**LIT: Campaign literature and mailings.**

Preparation, production, and distribution of campaign literature, direct mail pieces, fundraising solicitations, and door hangers. Includes costs of mailing lists, design/graphics, copy and layout, printing and photocopying. Includes payments to be on a state mailer, and for absentee ballot mailers.

**MBR: Member Communications.** Payments for communications to members, employees, or shareholders of an organization, or their family members, for the purpose of supporting or opposing a candidate or ballot measure.

**MTG: Meetings and appearances.** Costs associated with meetings, press conferences, town halls, constituent meetings, etc.

**OFC: Office expenses.** Expenditures for office rent; utilities (including cellular phone service); purchase or rental of office equipment (computer, fax, photocopier, etc.) and furniture; office supplies, etc.

**PET: Petition circulating.** Includes payments for printing petitions and payments to signature gathering firms for ballot measure qualification drives.

**PHO: Phone banks.** Costs of phone banks.

**POL: Polling and survey research.** Costs of designing and conducting polls, reports on election trends, voter surveys, etc.

**POS: Postage, delivery and messenger services.** Includes U.S. Postal Service, Federal Express, United Parcel Service, and other delivery and courier services.

**PRO: Professional services.** Includes legal, accounting, and bookkeeping services.

**PRT: Print space and production costs.** Includes advertising space in newspapers, magazines and other publications, and billboard ads.

**RAD: Radio airtime and production costs.**

**RFD: Returned contributions.**

**SAL: Campaign workers salaries.** Includes state and federal payroll taxes.

**TEL: Television or cable airtime and video production costs.**

**TRC: Candidate travel.** Payments or reimbursements for travel, lodging, and meals of a candidate.

**TRS: Staff/spouse travel.** Payments or reimbursements for travel, lodging, and meals of a candidate's representative (staff), or member of the candidate's household.

**TSF: Transfers.** Only use this code to report the transfer of funds to another authorized committee of the same candidate or sponsoring organization. Report funds this committee gives to other committees on Schedule E, as contributions ("CTB") to those committees, not as transfers.

**VOT: Voter registration costs.**

**WEB: Information technology costs.** Includes payments for website design, e-mail, internet access, production of website and e-mail advertising.

\*Payments that are contributions or independent expenditures to support or oppose other candidates, measures, and committees must also be summarized on Schedule D.

# Schedule F Accrued Expenses (Unpaid Bills)

Amounts may be rounded to whole dollars.

SCHEDULE F

CALIFORNIA FORM 460

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER \_\_\_\_\_

Statement covers period  
from \_\_\_\_\_ through \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_  
I.D. NUMBER \_\_\_\_\_

**CODES:** If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment.

CMP campaign paraphernalia/misc.  
CNS campaign consultants  
CTB contribution (explain nonmonetary)\*  
CVC civic donations  
FIL candidate filing/ballot fees  
FNO fundraising events  
IND independent expenditure supporting/opposing others (explain)\*  
LEG legal defense  
LIT campaign literature and mailings

MBR member communications  
MTG meetings and appearances  
OFC office expenses  
PET petition circulating  
PHO phone banks  
POL polling and survey research  
POS postage, delivery and messenger services  
PRO professional services (legal, accounting)  
PRT print ads  
RAD radio airtime and production costs  
RFD returned contributions  
SAL campaign workers' salaries  
TEL t.v. or cable airtime and production costs  
TRC candidate travel, lodging, and meals  
TRS staff/spouse travel, lodging, and meals  
TSF transfer between committees of the same candidate/sponsor  
VOT voter registration  
WEB information technology costs (internet, e-mail)

NAME AND ADDRESS OF CREDITOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	DESCRIPTION OF PAYMENT	CODE OR DESCRIPTION OF PAYMENT	(a) OUTSTANDING BALANCE BEGINNING OF THIS PERIOD	(b) AMOUNT INCURRED THIS PERIOD	(c) AMOUNT PAID THIS PERIOD (ALSO REPORT ON E)	(d) OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD
<b>SUBTOTALS \$</b>			<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

\* Payments that are contributions or independent expenditures must also be summarized on Schedule D.

## Schedule F Summary

- Total accrued expenses incurred this period. (Include all Schedule F, Column (b) subtotals for accrued expenses of \$100 or more, plus total unitemized accrued expenses under \$100.) ..... **INCURRED TOTALS \$** \_\_\_\_\_
- Total accrued expenses paid this period. (Include all Schedule F, Column (c) subtotals for payments on accrued expenses of \$100 or more, plus total unitemized payments on accrued expenses under \$100.) ..... **PAID TOTALS \$** \_\_\_\_\_
- Net change this period. (Subtract Line 2 from Line 1. Enter the difference here and on the Summary Page, Column A, Line 9.) ..... **NET \$** \_\_\_\_\_

May be a negative number.

# Instructions for Schedule F Accrued Expenses (Unpaid Bills)

CALIFORNIA  
FORM  
**460**

Report unpaid bills for goods or services on Schedule F.

If the amount owed to a single vendor is \$100 or more at the end of the reporting period, you must disclose the name and street address, city, state, and zip code of the payee or creditor and the amount incurred during the period that is outstanding at the end of the period (Column (b)). Continue reporting the accrued expense on each subsequent campaign statement until it is paid.

You are not required to report on Schedule F regular administrative overhead expenses, such as rent, utilities, phones, or employee salaries if you have not received a bill in the normal course of business or if the due date for the payment is after the closing date of the statement.

If you do not know the exact amount of a debt or obligation, provide an estimate. Once the exact amount is known, amend the estimated amount or note the correct amount on the next campaign statement.

Unpaid bills of less than \$100 at the end of the reporting period are added together and included in the total reported on Line 1 of the Schedule F Summary.

When accrued expenses are paid, the payments are reported on Schedule E. Also report the payment on Schedule F, Column (c).

## Code or Description of Payment:

If one of the expenditure codes listed on Schedule F fully describes the payment, enter the code. A full description of each code is provided on the

back of the Schedule E Continuation Sheet. If none of the codes fully explains the expenditure, enter a brief description of the goods or services instead.

There are special instructions on the back of the Schedule E Continuation Sheet for coding and describing nonmonetary contributions and independent expenditures to support/oppose other candidates, committees, and ballot measures.

Accrued expenses that are nonmonetary contributions and independent expenditures must also be summarized on Schedule D when incurred.

## Credit Card Payments:

Disclose the name, address, and amount owed or paid to the credit card company during the period. Also disclose the name, address, amount paid, and code or description of payment for each vendor paid \$100 or more. You may disclose the vendor payments on Schedule F or Schedule G.

## Payments by Agents and Independent Contractors:

When an agent or independent contractor (e.g., campaign worker, advertising agency, campaign management firm) makes payments on your behalf ("subvendor payments"), disclose the name, address, amount paid, and code or description of payment for each vendor paid \$500 or more. Disclose amounts owed to the agent or independent contractor on Schedule F. You may disclose the subvendor payments on Schedule F or Schedule G.

Note: It is not necessary to reitemize credit card vendors or agent subvendors on Schedule F or G when payments are made on accrued expenses, or if an accrued expense is itemized on more than one statement.

## Forgiveness or Third Party Payment of an Accrued Expense:

If a creditor forgives or reduces an outstanding debt, or a third party pays a debt for you, report the transaction as follows:

- In the "Description of Payment" column, state that the debt was forgiven, reduced, or paid by a third party.
- Report the amount forgiven, reduced, or paid by a third party as a negative figure in the "Amount Incurred This Period" column (Column (b)).
- Report a nonmonetary contribution from the creditor or third party on Schedule C.

Do not report the forgiveness, reduction, or third party payment on Schedule E.

Refer to the FPPC Campaign Disclosure Manual for your type of committee for important information about recordkeeping, cash expenditures, permissible uses of campaign funds, and more.





## Instructions for Schedule G Payments Made by an Agent or Independent Contractor

CALIFORNIA  
FORM **460**

Report payments made on your behalf during the reporting period by an agent or independent contractor (such as a campaign management firm or an advertising agency) on Schedule G.

Schedule G may be completed by the agent or independent contractor and provided to you or Schedule G may be completed by you from information provided by the agent or independent contractor.

Report expenditures of \$500 or more (other than expenditures for the agent's or independent contractor's overhead and normal operating expenses) made on your behalf during the reporting period.

Once a subvondor payment has been itemized on Schedule E, F, or G, it does not need to be itemized again. For example, if a subvondor payment is reported on Schedule F or G as part of an accrued expense, the subvondor information does not need to be reported again on subsequent reports.

### Code or Description of Payment:

If one of the expenditure codes listed on Schedule G fully describes the payment, enter the code. A full description of each code is provided on the back of the Schedule E Continuation Sheet. If none of the codes fully explains the expenditure, enter a brief description of the payment instead.

**Important: Officeholders and candidates** may reimburse an agent or independent contractor for expenditures made on their behalf only if all of the following criteria are met:

- There is a written contract between the officeholder or candidate and the agent or independent contractor that provides for the reimbursement;
- The treasurer is provided with a dated receipt and written description of each expenditure prior to reimbursement; and
- Reimbursement is paid within 45 calendar days after the agent or independent contractor makes the expenditures.

Generally, if reimbursement is not paid within 45 calendar days, report the expenditure as a nonmonetary contribution on Schedule C.

Refer to the FPPC Campaign Disclosure Manual for your type of committee for additional instructions.

Amounts may be rounded to whole dollars.

**Schedule H  
 Loans Made to Others\***

Statement covers period from \_\_\_\_\_ through \_\_\_\_\_  
 Page \_\_\_\_\_ of \_\_\_\_\_

SEE INSTRUCTIONS ON REVERSE  
 NAME OF FILER \_\_\_\_\_  
 I.D. NUMBER \_\_\_\_\_

FULL NAME, STREET ADDRESS AND ZIP CODE OF RECIPIENT (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	(a) OUTSTANDING BALANCE BEGINNING THIS PERIOD	(b) AMOUNT LOANED THIS PERIOD	(c) REPAYMENT OR FORGIVENESS THIS PERIOD* <input type="checkbox"/> PAID \$ _____ <input type="checkbox"/> FORGIVEN \$ _____	(d) OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD DATE DUE _____	(e) INTEREST RECEIVED RATE _____ DATE INCURRED _____	(f) ORIGINAL AMOUNT OF LOAN DATE INCURRED _____	(g) CUMULATIVE LOANS TO DATE CALENDAR YEAR _____ \$ _____ PER ELECTION**
		\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>SUBTOTALS</b>		\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

\*Loans that are contributions to another candidate or committee must also be summarized on Schedule D. Loans forgiven must also be reported on Schedule E.

(Enter (e) on Schedule I, Line 3)

**Schedule H Summary**

- Loans made this period (Total Column (b) plus unitemized loans of less than \$100.) .....\$ \_\_\_\_\_
- Payments received on loans (Total Column (c) plus unitemized payments of less than \$100.) .....\$ \_\_\_\_\_
- Net change this period. (Subtract Line 2 from Line 1.) .....NET \$ \_\_\_\_\_  
 (Enter the net here and on the Summary Page, Column A, Line 7.)

\*\*If Required

## Instructions for Schedule H Loans Made to Others

CALIFORNIA  
FORM **460**

All loans made or outstanding are reported on Schedule H.

Generally, campaign funds may be used to make loans to other candidates, officeholders, or committees (unless otherwise prohibited) and to bona fide charitable, educational, civic, religious, or similar tax-exempt nonprofit organizations. There are restrictions on loans to any other person, including a candidate who controls the committee, or to a nonprofit organization that is affiliated with a candidate, the treasurer, or other committee officials.

For each loan of \$100 or more that was made or was outstanding during the reporting period, disclose the recipient's name and address and, if an individual, his/her occupation and employer or, if self employed, the name of the business.

**Column (a)** – Enter the outstanding loan balance at the beginning of this period (column (d) of last report.) If the loan was made this period, this column will be blank.

**Column (b)** – Enter the amount loaned to the recipient during this reporting period. If this loan was made in a previous reporting period, leave blank.

**Column (c)** – Enter the amount of any reduction of the loan during this reporting period. Check whether the loan was paid or forgiven. If the committee forgives a loan, also report the transaction on Schedule E.

**Column (d)** – Enter the outstanding balance of the loan(s) at the close of this reporting period. Enter the due date, if any.

**Column (e)** – Enter the interest rate and amount of interest received on the loan(s) during this reporting period. Interest received is reported separately from payments received on the loan principal. Interest payments are also transferred to the Schedule I Summary.

**Column (f)** – Enter the original amount of the loan and date made. If this is the first time you are reporting the loan, this will be the same amount reported in Column (b).

**Column (g)** – For each loan made during this reporting period that is a contribution,\* enter the cumulative amount of contributions (loans, monetary and nonmonetary contributions) made to the recipient during the calendar year covered by the statement. If the recipient is a candidate subject to state contribution limits, or the information is required by local ordinance, also enter the total amount contributed to the candidate in connection with each limitation cycle and identify the election year. (For contributions to state candidates, see the Schedule D instructions.)

### Schedule H Summary:

The Schedule H Summary reflects the "net change" in the committee's loan activity. That is, repayments received are subtracted from new loans made. When the repayment number is larger than the amount of the new loans made, Line 3 will be a negative figure. For example, if \$200 is received by the committee during the period and only \$100 is made in new loans, report the net change on Line 3 as "\$-100" or "(\$100)." Be sure to carry this figure to the Summary Page as a negative figure to be subtracted from Summary Page totals.

Refer to the FPPC Campaign Disclosure Manual for your type of committee for important information about recordkeeping, prohibitions on cash contributions, loan restrictions, and more.

\*Loans that are contributions to candidates or other committees must also be reported on Schedule D.



**Instructions for  
Schedule I  
Miscellaneous Increases to Cash**

Report any transaction that increases the cash position of the officeholder, candidate, or committee, but is not a monetary contribution, loan, or loan repayment, on Schedule I.

Itemize the sources of \$100 or more received during the reporting period.

Examples include:

- Interest received or credited to checking or savings accounts or other time deposits.
- Proceeds from the sale of property, such as paintings, furniture, or other items sold at garage sales or auctions, etc., when the amount received is the "fair market value" of the item. Amounts received over the fair market value are reported on Schedule A. (Report donated items as nonmonetary contributions on Schedule C.)
- Proceeds from the sale of campaign property, such as office furniture or equipment.
- Refunds received on deposits, such as telephone deposits.
- Refunds received from overpayment of bills.

- Transfers received from another authorized committee of the same candidate. (Candidates for elective state office should refer to FPPC Campaign Disclosure Manual 1 for information about reporting transferred funds that must be attributed to specific contributors of the committee making the transfer.)

Report on Line 3 of the Schedule I Summary the lump sum of interest payments received on loans made to others. Do not itemize. This amount is transferred from Schedule H, Column (g).

# Major Donor and Independent Expenditure Committee Campaign Statement

# CALIFORNIA 461 FORM

## Who Uses Form 461:

### Major Donors

- An individual or entity that makes monetary or nonmonetary contributions (including loans) to state or local officeholders, candidates, and committees totaling \$10,000 or more in a calendar year.

“Contribution” includes direct monetary contributions (e.g., purchasing tickets to campaign fundraisers), loan guarantees and loan forgiveness, nonmonetary contributions of goods or services, and discounts not provided to the public generally.

### Independent Expenditure Committees

- An individual or entity that makes independent expenditures totaling \$1,000 or more in a calendar year to support or oppose state or local candidates or ballot measures.

An “independent expenditure” is an expenditure for a communication that expressly advocates the nomination, election or defeat of a clearly identified candidate or ballot measure that is not made to—or at the behest of—an officeholder, candidate, or committee.

**Note:** There are different forms and reporting requirements for committees that receive contributions totaling \$2,000 or more during a calendar year (“recipient committees”).

## Personal Contributions by Candidates and Officeholders:

Form 461 is also required if, during a calendar year, a candidate or officeholder uses personal funds to make:

- Contributions totaling \$10,000 or more to other state or local candidates, officeholders or committees; or
- Independent expenditures totaling \$1,000 or more to support or oppose other state or local candidates, officeholders, or ballot measures.

## Contribution Limits:

Candidates for elective state office are subject to contribution limits. Contributions received by committees for the purpose of making contributions to candidates for elective state office are also subject to limits. A chart identifying the limits is located at [www.fppc.ca.gov](http://www.fppc.ca.gov). In addition, local candidates may be subject to contribution limits imposed by local ordinance. Questions about local limits should be directed to election officials in the local jurisdiction.

## Additional Important Information:

Refer to the FPPC Campaign Disclosure Manuals 5 and 6 for important information about:

- When and where to file Form 461
- Aggregation of contributions and expenditures by certain combinations of individuals and entities (e.g., parent and subsidiaries)

- Exceptions to the definition of “contribution” and “expenditure” for certain types of activities (e.g., volunteer personal services and communications to members of an organization)
- Reporting contributions and independent expenditures made during the 90 days prior to an election or on the date of the election
- The Information Practices Act of 1977

This form was prepared by the Fair Political Practices Commission (FPPC). Campaign filing deadlines, forms, and other informational materials are available on the FPPC website ([www.fppc.ca.gov](http://www.fppc.ca.gov)). See reverse for general information on where to file this form.

**Instructions for  
Major Donor and  
Independent Expenditure  
Committee Campaign Statement**

**CALIFORNIA  
FORM  
461**

**Where to File:**

**State Committees**

A state committee is one that makes at least one contribution or independent expenditure to a state candidate, measure or other state committee (e.g. political party). A state major donor and independent expenditure committee files an original and a copy in paper format with the Secretary of State. A committee must also file an online report if the committee makes contributions or independent expenditures totaling \$25,000 or more in a calendar year.

**Secretary of State**

Political Reform Division  
1500 11th Street, Room 495  
Sacramento, CA 95814  
Phone (916) 653-6224  
Fax (916) 653-5045  
[www.sos.ca.gov](http://www.sos.ca.gov)

**Local Committees**

If a committee makes more than 70% of its contributions and independent expenditures on county candidates and measures and other county committees, file this form with the county elections official. An original and one paper copy is required.

If a committee makes more than 70% of its contributions and independent expenditures on city candidates and measures and other city committees, file this form with the city clerk. An original and one paper copy is required.

**Note:** FPPC Regulation 18227.5 sets out the criteria for determining if a committee is state, county, or city. The regulation provides that a committee may qualify as a state committee if it does not qualify as a city or county committee and allows, under certain circumstances, that a local committee may retain city or county status even if a contribution is made to a state committee.

**Electronic Filing:**

**State Committees**

Major donor and independent expenditure committees that are required to file reports with the Secretary of State must file Form 461 electronically if they make contributions or independent expenditures totaling \$25,000 or more in a calendar year. Paper reports are also required.

**Local Committees**

Some local jurisdictions also require reports to be electronically filed.

# Major Donor and Independent Expenditure Committee Campaign Statement

Date of election if applicable:  
(Month, Day, Year)  
\_\_\_\_\_

Statement covers period  
from \_\_\_\_\_  
through \_\_\_\_\_

SEE INSTRUCTIONS ON REVERSE

## 1. Name and Address of Filer

NAME OF FILER \_\_\_\_\_

RESIDENTIAL OR MAILING ADDRESS \_\_\_\_\_  
(NO. AND STREET)

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP CODE \_\_\_\_\_

RESPONSIBLE OFFICER \_\_\_\_\_  
(If filer is other than an individual)

## 2. Nature and Interests of Filer

(Complete each applicable section.)

A FILER WHO IS AN INDIVIDUAL MUST LIST THE NAME, ADDRESS, AND BUSINESS INTERESTS OF EMPLOYER OR, IF SELF-EMPLOYED, THE NAME, ADDRESS, AND NATURE OF THE BUSINESS

NAME OF EMPLOYER/BUSINESS \_\_\_\_\_ BUSINESS INTERESTS \_\_\_\_\_

ADDRESS OF EMPLOYER/BUSINESS \_\_\_\_\_

A FILER THAT IS A BUSINESS ENTITY MUST DESCRIBE THE BUSINESS ACTIVITY IN WHICH IT IS ENGAGED \_\_\_\_\_

A FILER THAT IS AN ASSOCIATION MUST PROVIDE A SPECIFIC DESCRIPTION OF ITS INTERESTS \_\_\_\_\_

A FILER THAT IS NOT AN INDIVIDUAL, BUSINESS ENTITY, OR ASSOCIATION MUST DESCRIBE THE COMMON ECONOMIC INTEREST OF THE GROUP OR ENTITY \_\_\_\_\_

Amendment (Explain): \_\_\_\_\_

## 3. Summary

(Amounts may be rounded to whole dollars.)

1. Expenditures and contributions (including loans) of \$100 or more made this period. (Part 5.) ..... \$ \_\_\_\_\_
2. Unitemized expenditures and contributions (including loans) under \$100 made this period..... \$ \_\_\_\_\_
3. Total expenditures and contributions made this period. (Add Lines 1 + 2.) ..... **SUBTOTAL \$** \_\_\_\_\_
4. Total expenditures and contributions made from prior statement. (Enter amount from Line 5 of last statement filed. If this is the first statement for the calendar year, enter zero.) ..... \$ \_\_\_\_\_
5. Total expenditures and contributions (including loans) made since January 1 of the current calendar year. (Add Lines 3 + 4.) ..... **TOTAL \$** \_\_\_\_\_

## 4. Verification

I have used all reasonable diligence in preparing this statement. I have reviewed the statement and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on \_\_\_\_\_ By \_\_\_\_\_  
DATE SIGNATURE OF INDIVIDUAL DONOR OR RESPONSIBLE OFFICER, IF OTHER THAN AN INDIVIDUAL

# Instructions for Major Donor and Independent Expenditure Committee Campaign Statement

CALIFORNIA  
FORM  
**461**

For definitions and detailed information about completing Form 461, refer to the FPPC Campaign Disclosure Manuals 5 and 6.

## Period Covered by a Statement:

The "period covered" by a campaign statement begins the day after the closing date of the last campaign statement filed. For example, if the closing date of the last statement was June 30, the beginning date of the next statement will be July 1.

If this is the first campaign statement for the calendar year, begin with January 1.

The closing date of the statement depends on the type of statement you are filing.

## Date of Election:

Enter the date of the election if you are filing Form 461 as a city or a county major donor or independent expenditure committee and the city or county's election will be held this year.

## 1. Name and Address of Filer:

Enter the legal name of the individual or entity filing the statement. If the filer is commonly known to the public by another name, that name may be used. When a person directs and controls the making of contributions and independent expenditures by a related entity (e.g., a parent and subsidiaries or a majority shareholder of a

corporation) that must be aggregated and reported on Form 461, list as the "Name of Filer" the name of the individual or entity that directs and controls the making of the contributions and independent expenditures. In addition, you must:

- Indicate that the campaign statement includes the contributions and independent expenditures of other entities. For example, "ABC Corporation, including aggregated contributions/independent expenditures."
- Identify any entities added to this report that were not included in a prior report filed for the current calendar year, as well as any entities included in a prior report for the current calendar year that are no longer required to aggregate under the name of filer.
- Identify both names if the "Name of Filer" listed on a previous report filed for the current calendar year is different than the name identified on this report. For example, "John Lewis, formerly identified as Lewis Construction."

Enter the name of the responsible officer of an entity or organization filing the statement.

## 2. Nature and Interests of Filer:

When more than one person or entity is listed under "Name of Filer," identify the nature and interests of each. (Use appropriately labeled continuation sheets if necessary.)

## 3. Summary:

Summary totals are calculated from the information itemized in Part 5 of the Form 461 and unitemized payments of less than \$100. If this is the first report being filed for a calendar year, enter a zero on line 4 of the summary.

## 4. Verification:

A responsible officer of an entity or an entity filing jointly with any number of affiliates must sign the Form 461. An attorney or a certified public accountant may sign on behalf of the entity or entities. A statement filed by an individual must be signed by the individual.

## Amendments:

To amend previously filed Form 461, check the "Amendment" box, enter the period covered by the statement you are amending, and complete Part 1. Disclose the amended information, including Part 3, if applicable, and complete the Verification.

# Major Donor and Independent Expenditure Committee Campaign Statement

Amounts may be rounded to whole dollars.

Statement covers period from \_\_\_\_\_ through \_\_\_\_\_

CALIFORNIA FORM 461

Page \_\_\_\_\_ of \_\_\_\_\_

SEE INSTRUCTIONS ON REVERSE  
NAME OF FILER \_\_\_\_\_

## 5. Contributions (Including Loans, Forgiveness of Loans, and Loan Guarantees) and Expenditures Made

(If more space is needed, use additional copies of this page for continuation sheets.)

DATE	NAME, STREET ADDRESS, CITY, STATE AND ZIP CODE OF PAYEE (IF COMMITTEE, ALSO ENTER ID. NUMBER)	TYPE OF PAYMENT	DESCRIPTION OF PAYMENT (IF OTHER THAN MONETARY CONTRIBUTION OR LOAN)	CANDIDATE AND OFFICE, MEASURE AND JURISDICTION, OR COMMITTEE	AMOUNT THIS PERIOD	CUMULATIVE AMOUNT RELATED TO THIS CANDIDATE, MEASURE, OR COMMITTEE
		<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Loan <input type="checkbox"/> Non-Monetary Contribution <input type="checkbox"/> Independent Expenditure		<input type="checkbox"/> Support <input type="checkbox"/> Oppose		
		<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Loan <input type="checkbox"/> Non-Monetary Contribution <input type="checkbox"/> Independent Expenditure		<input type="checkbox"/> Support <input type="checkbox"/> Oppose		
		<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Loan <input type="checkbox"/> Non-Monetary Contribution <input type="checkbox"/> Independent Expenditure		<input type="checkbox"/> Support <input type="checkbox"/> Oppose		
		<input type="checkbox"/> Monetary Contribution <input type="checkbox"/> Loan <input type="checkbox"/> Non-Monetary Contribution <input type="checkbox"/> Independent Expenditure		<input type="checkbox"/> Support <input type="checkbox"/> Oppose		
<b>SUBTOTAL \$</b>						

# Instructions for Major Donor and Independent Expenditure Committee Campaign Statement

CALIFORNIA  
FORM  
**461**

## 5. Contributions and Expenditures:

When itemizing contributions and expenditures made by more than one entity (e.g., a parent and subsidiaries), note which entity made each payment.

### Date of Contribution

A monetary contribution is made on the date it is mailed, delivered, or otherwise transmitted to the candidate or committee. A nonmonetary contribution is made on the earlier of the following: 1) the date an expenditure is made for goods or services at the behest of the candidate or committee; or 2) the date the candidate or committee or an agent of the candidate or committee obtained possession or control of the goods or services.

### Name and Address of Payee

If a total of \$100 or more is contributed or expended during a calendar year to support or oppose a single candidate, committee or measure, disclose the name and address of the payee. If the payee is a committee, also disclose the identification number assigned to that committee by the Secretary of State. If no ID number has been assigned to a committee, provide the name and address of that committee's treasurer.

Contributions and expenditures of less than \$100 to support or oppose a single candidate, committee or measure during a calendar year are totaled and reported as a lump sum on Line 2 of the Summary.

### Candidate, Measure or Committee

Identify the candidate, measure or committee supported or opposed by the contribution or expenditure. Disclose the name of the candidate and the office sought or held; the name of the ballot measure and its jurisdiction; or the name of

the committee if a nonmonetary contribution was made to a general purpose committee. Check the appropriate box to indicate whether the payment was made to support or oppose the candidate or measure listed.

### Amount/Cumulative Amount

Disclose the amount of the contribution or expenditure made this period.

If a single payment supports or opposes more than one candidate or measure, provide the name and address of the vendor. Enter the amount paid to the vendor in the "Description of Payment" column. Identify each candidate or measure, and enter the amount of the contribution or expenditure attributable to each in the "Amount this Period" column.

For each contribution, also disclose the cumulative amount contributed to the candidate (including all of the candidate's controlled election committees) or to the committee (in the case of a ballot measure or other type of committee) since January 1 of the current calendar year. For each independent expenditure, disclose the cumulative amount of independent expenditures made since January 1 of the current calendar year related to the candidate or ballot measure supported or opposed by the expenditure.

### Reporting Loans:

Check the "loan" box under "Type of Payment" if you make, forgive, or guarantee a loan. You need not report loan repayments received. If you make and forgive a loan during the same calendar year, report the amount of the forgiveness under "Description of Payment." The same is true if you guarantee a loan and you make payments to the lender during the same calendar year.

Loans to state candidates are subject to contribution limits. If the candidate repays all or a portion of a loan, the lender may make additional contributions subject to the applicable contribution limit.

### Non-Monetary Contributions:

Report the fair market value of non-monetary contributions. The fair market value is the amount it would cost to purchase the goods or services on the open market, which may be more than the amount it cost to provide them. For example, the fair market value of donated catering services would normally be higher than the actual cost to the caterer.

### Reporting Subvendors:

If an agent (including an independent contractor) makes payments on your behalf ("subvendor payments"), disclose those payments in addition to the payments made to the agent. For example, you pay a public relations firm, which pays for an advertisement supporting a ballot measure. In addition to disclosing the payment(s) made to the public relations firm, itemize payments of \$500 or more made by the firm related to the advertisement. Do not include payments that are not for the purpose of making contributions or independent expenditures (e.g., for overhead or operating expenses).

Report the name and address of the agent followed by the name and address of each subvendor. Disclose amounts paid to the agent and subvendor in the "Description of Payment" column.

**Fair Political Practices Commission**  
**Filing Schedule for**  
**Candidates and Controlled Committees for Local Office**  
**Being Voted on November 8, 2016**

<b>Deadline</b>	<b>Period</b>	<b>Form</b>	<b>Notes</b>
<b>Aug 1, 2016</b> <i>Semi-Annual</i>	* - 6/30/16	<u>460</u>	<ul style="list-style-type: none"> <li>▪ All committees must file Form 460.</li> <li>▪ The July 31 deadline falls on a Sunday, so the deadline is extended to the next business day.</li> </ul>
<b>Within 24 Hours</b> <i>Contribution Reports</i>	8/10/16 – 11/8/16	<u>497</u>	<ul style="list-style-type: none"> <li>▪ File if a contribution of \$1,000 or more in the aggregate is received from a single source.</li> <li>▪ File if a contribution of \$1,000 or more in the aggregate is made to <i>another</i> candidate or ballot measure being voted on the November 8 ballot or to a political party committee.</li> <li>▪ The recipient of a non-monetary contribution of \$1,000 or more must file a Form 497 within 48 hours from the time the contribution is received.</li> <li>▪ File by personal delivery, e-mail, guaranteed overnight service, fax or online, if available.</li> </ul>
<b>Sep 29, 2016</b> <i>1<sup>st</sup> Pre-Election</i>	7/1/16 – 9/24/16	<u>460</u> or <u>470</u>	<ul style="list-style-type: none"> <li>▪ Each candidate listed on the ballot must file either Form 460 or Form 470 (see below).</li> </ul>
<b>Oct 27, 2016</b> <i>2<sup>nd</sup> Pre-Election</i>	9/25/16 – 10/22/16	<u>460</u>	<ul style="list-style-type: none"> <li>▪ All committees must file this report.</li> <li>▪ Paper copies must be filed by personal delivery or guaranteed overnight service only.</li> </ul>
<b>Jan 31, 2017</b> <i>Semi-Annual</i>	10/23/16 – 12/31/16	<u>460</u>	<ul style="list-style-type: none"> <li>▪ All committees must file unless the committee filed termination Forms 410 and 460 before December 31, 2016.</li> </ul>

- **Local Ordinance:** Always check on whether additional local rules apply.

- \* **Period Covered:** The period covered by any statement begins on the day after the closing date of the last statement filed, or January 1, if no previous statement has been filed.

- **Filing Deadlines:** Deadlines are extended when they fall on a Saturday, Sunday, or an official state holiday. This extension does not apply to 24-hour independent expenditure reports (Form 496) and the deadline for the Form 497 that is due the weekend before the election. Such reports must be filed within 24 hours regardless of the day of the week. Statements filed after the deadline are subject to a \$10 per day late fine.

- **Method of Delivery:** All paper filings are filed by personal delivery or first class mail unless otherwise noted. A paper copy of a report may not be required if a local agency requires online filing pursuant to a local ordinance.

## Fair Political Practices Commission

- **Form 501:** All candidates must file Form 501 (Candidate Intention Statement) before soliciting/receiving contributions.
- **Form 460:** Candidates who have raised/spent \$2,000 or more file the Form 460. The Form 410 (Statement of Organization) must also be filed once \$2,000 or more has been raised/spent.
- **Form 470:** Candidates who do not have an open committee and do not raise or spend \$2,000 or more may file Form 470 on or before September 24, 2016. If later during the calendar year, a campaign committee must be opened, a Form 470 Supplement and a Form 410 must be filed.
- **Candidates:** After an election, reporting requirements will depend on whether the candidate is successful and whether a campaign committee is open.
- **Public Documents:** All forms are public documents. Campaign manuals and instructional materials are available at [www.fppc.ca.gov](http://www.fppc.ca.gov), click on the "[Learn](#)" link.
- Committees making independent expenditures to support or oppose candidates or ballot measures also file:
  - **462:** This verification form must be e-mailed to the FPPC within 10 days of making an independent expenditure of \$1,000 or more.
  - **496:** This form is due within 24 hours when made in the 90-day period before an election or on the date of the election. Refer to the candidate or ballot measure election filing schedule.