

John Fronefield-Chairman

Gary Felien - Vice Chair

Betty Plowman - Secretary

Tom Montgomery—Treasurer

Ms. Ravel,

We are writing on behalf of the California Republican Party - County Treasurers Association (CRP-CTA) regarding the recent hearing that addressed the Kinde Durkee scandal. The CRP-CTA opposes the measures of relief sought by the affected committees. The candidates affected are currently required to sign their 460's before filing. They should have read through their reports, done their due diligence (i.e. reviewed their bank statements, check registers, etc.), before signing. To ease campaign contribution limits, relax filing deadlines and grant immunity from penalties related to past filings, even in such extraordinary circumstances such as now, will only reward their dereliction and encourage future similar behavior. After all, if you are rewarded for irresponsible behavior, what is the incentive to change that behavior knowing you will never be held accountable?

Also, broadening the interpretation of legal defense funds would set a very bad precedent. When unlimited funds can be raised for legal defense and those funds are then used to initiate litigation, it is no longer a legal <u>defense</u> fund. It becomes a legal <u>attack</u> fund. Such a precedent could potentially result in candidate committees raising legal attack funds to initiate legal actions against opposition committees, groups or individuals. If there were to be an avenue for fundraising for legal costs related to recouping losses due to fraud or other malfeasance, it should be developed legislatively rather than administratively.

Yes, it is unfortunate that the situation reached this point, but an administrative bailout of a bad business decision is not the answer. Committees should ultimately be responsible for actions taken in their name.

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On behalf of the entire CRP-CTA,

The CRP-CTA Executive Committee:

John Fronefield-Chairman Gary Felien-Vice Chair Betty Plowman-Secretary Tom Montgomery-Treasurer