FAIR POLITICAL PRACTICES COMMISSION

428 J Street, Suite 620, Sacramento, CA 95814
(916) 322-5660 / Fax (916) 322-0886

To: Vice Chair Eskovitz; Commissioners Casher, Wasserman and Wynne

From: Gary S. Winuk, Chief of Enforcement
Neal P. Bucknell, Senior Commission Counsel

Subject: In the Matter of Voters for a New California and Joaquin Ross
Fair Political Practices Commission Case No. 10/470

Date: October 28, 2013

This matter is submitted for informational purposes only. No action is required by the Commission.

On April 25, 2013, the Commission approved agenda item number four, *In the Matter of Voters for a New California and Joaquin Ross*, FPPC Case No. 10/470, imposing a penalty in the amount of $6,500 against Respondents Voters for a New California and Joaquin Ross for making an over-the-limit non-monetary contribution in support of Luis Alejo's candidacy for the California State Assembly (and for falsely reporting the contribution as an independent expenditure). Attached hereto as Exhibit A is a copy of the Stipulation, Decision and Order in that case.

Thereafter, the Enforcement Division notified Assemblyman Alejo of his duty to "pay down" the over-the-limit portion of the contribution from Voters for a New California by making payment to Voters for a New California in the amount of $21,092 (which was the amount in excess of the contribution limit of $3,900 per election). On October 4, 2013, the Enforcement Division

received proof of payment in this regard from Assemblyman Alejo. No further charges are being brought in this case.

* * * * *

EXHIBIT A

GARY S. WINUK
Chief of Enforcement
NEAL P. BUCKNELL
Senior Commission Counsel
Fair Political Practices Commission
428 J Street, Suite 620
Sacramento, CA 95814
Telephone: (916) 322-5660
Facsimile: (916) 322-1932

Attorneys for Complainant

BEFORE THE FAIR POLITICAL PRACTICES COMMISSION

STATE OF CALIFORNIA

In the Matter of: VOTERS FOR A NEW CALIFORNIA and JOAQUIN ROSS, Respondents.	FPPC No. 10/470 STIPULATION, DECISION AND ORDER

STIPULATION

Complainant, the Enforcement Division of the Fair Political Practices Commission, and Respondents Voters for a New California and Joaquin Ross hereby agree that this Stipulation will be submitted for consideration by the Fair Political Practices Commission at its next regularly scheduled meeting.

The parties agree to enter into this Stipulation to resolve all factual and legal issues raised in this matter and to reach a final disposition without the necessity of holding an additional administrative hearing to determine the liability of Respondents, pursuant to section 83116 of the Government Code.

Respondents understand, and hereby knowingly and voluntarily waive, any and all procedural rights set forth in Government Code sections 83115.5, 11503 and 11523, and in California Code of Regulations, title 2, sections 18361.1 through 18361.9. This includes, but is not limited to the right to appear personally at any administrative hearing held in this matter, to be represented by an attorney at Respondents' own expense, to confront and cross-examine all witnesses testifying at the hearing, to

///

subpoena witnesses to testify at the hearing, to have an impartial administrative law judge preside over the hearing as a hearing officer, and to have the matter judicially reviewed.

As described in Exhibit 1, it is further stipulated and agreed that Respondents Voters for a New California and Joaquin Ross committed two violations of the Political Reform Act. Exhibit 1, which is attached hereto and incorporated by reference as though fully set forth herein, is a true and accurate summary of the facts in this matter.

Respondents agree to the issuance of the Decision and Order, which is attached hereto. Respondents also agree to the Commission imposing upon them an administrative penalty in the amount of $6,500. One or more cashier's checks or money orders totaling said amount—to be paid to the General Fund of the State of California—is/are submitted with this Stipulation as full payment of the administrative penalty described above, and same shall be held by the State of California until the Commission issues its Decision and Order regarding this matter. The parties agree that in the event the Commission refuses to accept this Stipulation, it shall become null and void, and within fifteen (15) business days after the Commission meeting at which the Stipulation is rejected, all payments tendered by Respondents in connection with this Stipulation shall be reimbursed to Respondents. Respondents further stipulate and agree that in the event the Commission rejects the Stipulation and a full

///

///

///

///

///

///

///

///

///

///

///

evidentiary hearing before the Commission becomes necessary, neither any member of the Commission, nor the Executive Director, shall be disqualified because of prior consideration of this Stipulation.

Dated: 4/15/13

Gary S. Winuk, Chief of Enforcement
Fair Political Practices Commission

Dated: 3/13/2013

Rita Copeland, on behalf of Voters for a New California, Respondent

Dated: _____

Joaquin Ross, Respondent

DECISION AND ORDER

The foregoing Stipulation of the parties "In the Matter of Voters for a New California and Joaquin Ross," FPPC No. 10/470, including all attached exhibits, is hereby accepted as the final decision and order of the Fair Political Practices Commission, effective upon execution below by the Chair.

IT IS SO ORDERED.

Dated: 4/29/13

Ann Ravel, Chair
Fair Political Practices Commission

evidentiary hearing before the Commission becomes necessary, neither any member of the Commission, nor the Executive Director, shall be disqualified because of prior consideration of this Stipulation.

Dated: 4/23/13

Gary S. Winuk, Chief of Enforcement
Fair Political Practices Commission

Dated: _____

Rita Copeland, on behalf of Voters for a New California, Respondent

Dated: 3/13/13

Joaquin Ross, Respondent

DECISION AND ORDER

The foregoing Stipulation of the parties "In the Matter of Voters for a New California and Joaquin Ross," FPPC No. 10/470, including all attached exhibits, is hereby accepted as the final decision and order of the Fair Political Practices Commission, effective upon execution below by the Chair.

IT IS SO ORDERED.

Dated: _____

Ann Ravel, Chair
Fair Political Practices Commission

EXHIBIT 1

INTRODUCTION

At all relevant times, Respondent Voters for a New California purported to be a general purpose committee for the purpose of making independent expenditures to support Latino candidates. Respondent Joaquin Ross was a principal officer of the committee, and at the same time, he was a paid general campaign manager for Luis Alejo, a successful candidate for the California State Assembly.

Under the Political Reform Act (the "Act")[1] the correct classification and reporting of a payment as a contribution or an independent expenditure is very important because contributions are subject to contribution limits and independent expenditures are not. Generally speaking, when a committee wishes to make an independent expenditure in support of a candidate, the committee and the candidate must be careful to avoid coordination with respect to the expenditure, or else the expenditure will become a contribution to the candidate. Under the Act, an expenditure is presumed to be a contribution to a candidate—and not an independent expenditure—when the committee and the candidate share an agent who provides the candidate with professional services related to campaign or fundraising strategy.

For purposes of this Stipulation, Respondents' violations of the Act are set forth as follows:

Count 1: In approximately May 2010, Respondent Voters for a New California made a non-monetary contribution in support of Luis Alejo's candidacy for the California State Assembly in the form of three mass mailings, which cost approximately $28,892. However, this contribution was in excess of the contribution limit of $3,900 per election. Respondent Joaquin Ross caused the making of this over-the-limit contribution (within the meaning of Section 83116.5). At the time, he was serving in a dual role as the committee's principal officer *and* as a general campaign manager for Luis Alejo. While purporting to act as principal officer of Respondent Voters for a New California, Respondent Joaquin Ross approved the committee's payment for the mass mailings. He knew the payment amounted to an over-the-limit contribution to the Alejo campaign (by virtue of his dual role as agent for both parties), but he did not attempt to stop the mass mailings before they were mailed. In this way, Respondents Voters for a New California and Joaquin Ross violated Section 85301, subdivision (a), which prohibits the making of over-the-limit contributions.

[1] The 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.

Count 2: In approximately May 2010, Respondent Voters for a New California filed a false pre-election campaign statement with the Secretary of State for the reporting period ending May 22, 2010. This filing concealed the violation described in Count 1 by falsely reporting that the payment for the mass mailings was an independent expenditure—when in fact, the payment was an over-the-limit non-monetary contribution. Respondent Joaquin Ross caused the false reporting (within the meaning of Section 83116.5). At the time, he was serving in a dual role as the committee's principal officer *and* as a general campaign manager for Luis Alejo. While purporting to act as principal officer of Respondent Voters for a New California, Respondent Joaquin Ross approved the committee's payment for the mass mailings. He knew the payment amounted to an over-the-limit contribution to the Alejo campaign (by virtue of his dual role as agent for both parties), but he did not attempt to stop the mass mailings before they were mailed. Also, he did not inform the treasurer of Respondent Voters for a New California that the payment needed to be reported as a contribution—even though he knew the treasurer would believe the payment to be an independent expenditure and report it accordingly. In this way, Respondents Voters for a New California and Joaquin Ross violated Section 84211, subdivisions (b), (i), and (k), which requires accurate reporting of information about contributions made.

SUMMARY OF THE LAW

All statutory references and discussions of law pertain to the Act's provisions as they existed at the time of the violation.

Need for Liberal Construction and Vigorous Enforcement of the Political Reform Act

When the Political Reform Act was enacted, the people of the state of California found and declared that previous laws regulating political practices suffered from inadequate enforcement by state and local authorities. (Section 81001, subd. (h).) To that end, Section 81003 requires that the Act be liberally construed to achieve its purposes.

One of the purposes of the Act is to ensure that receipts and expenditures in election campaigns are fully and truthfully disclosed so that voters are fully informed and improper practices are inhibited. (Section 81002, subd. (a).) Also, as described above, the Act prohibits over-the-limit contributions, false reporting, and non-reporting. Another purpose of the Act is to provide adequate enforcement mechanisms so that the Act will be "vigorously enforced." (Section 81002, subd. (f).)

Types of Committees

A committee includes any person or combination of persons who receive contributions totaling $1,000 or more in a calendar year. (Section 82013, subd. (a).) This type of committee commonly is referred to as a recipient committee.

A state general purpose committee includes a recipient committee that supports or opposes candidates or measures voted on in a state election, or in more than one county. (Section 82027.5, subds. (a) and (b).)

Difference Between Independent Expenditures and Contributions

The definition of "independent expenditure" includes an expenditure made by any person in connection with a communication which expressly advocates the election or defeat of a clearly identified candidate, or taken as a whole and in context, unambiguously urges a particular result in an election—where the expenditure is not made to or at the behest of the affected candidate or committee. (Section 82031.)

Generally speaking, a "contribution" includes a payment—except to the extent that full and adequate consideration is received—unless it is clear from the surrounding circumstances that it is not made for political purposes. (Section 82015, subd. (a).) When such a payment is made at the behest of a candidate or committee, it is a contribution to the candidate/committee. (Section 82015, subd. (b).)

The most common type of contribution results in the payment of money to a candidate or committee. Such contributions are referred to as "monetary contributions," but sometimes a contribution of goods or services is made to a candidate or committee—rather than an outright payment to the candidate or committee. Such contributions are referred to as "in-kind" or "non-monetary" contributions. For example, if you pay for a mass mailing in support of a candidate at the candidate's behest, you are making an in-kind/non-monetary contribution to the candidate because your money is not going directly to the candidate, but the candidate is receiving the benefit of your money in the form of a mass mailing. The terms "in-kind" and "non-monetary" are interchangeable. (See Section 84203.3 as compared to Regulation 18421.1, subd. (f).)

"Made at the behest of" means made under the control or at the direction of, in cooperation, consultation, coordination, or concert with, at the request or suggestion of, or with the express, prior consent of. (Regulation 18225.7, subd. (a).)

An expenditure is not an independent expenditure—and must be treated as a contribution to the candidate on whose behalf, or for whose benefit, the expenditure is made—if the expenditure is made under any of the following circumstances: (1) the expenditure is made with the cooperation of, or in consultation with, the candidate on whose behalf, or for whose benefit, the expenditure is made, or any controlled committee or any agent of the candidate; (2) the expenditure is made in concert with, or at the request or suggestion of, the candidate on whose behalf, or for whose benefit, the expenditure is made, or any controlled committee or any agent of the candidate; (3) the expenditure is made under any arrangement, coordination, or direction with respect to the candidate or the candidate's agent and the person making the expenditure. (Section 85500, subd. (b).)

Along these lines, there is a presumption that an expenditure funding a communication that expressly advocates the nomination, election or defeat of a clearly identified candidate is *not*

independent of the candidate when the person making the expenditure retains the services of someone who provides the candidate with professional services related to campaign or fundraising strategy for that same election. (Regulation 18550.1, subd. (b)(3).)[2] Stated another way, when a candidate and a third party share an agent, that agent is a servant with two masters, and any purported independent expenditures made by the third party in support of the candidate are presumed to be contributions to the candidate—which are subject to the Act's contribution limits and reporting requirements.

Campaign Contribution Limits

The Act imposes campaign contribution limits with respect to the making and receiving of certain contributions. However, these limits are adjusted periodically, and different limits apply depending upon who is contributing and who is receiving. (See Section 85301, subdivision (a), as well as Section 83124.)

Attached hereto as Exhibit 2 is a publication of the Fair Political Practices Commission ("FPPC") regarding the contribution limits that were in effect for 2010. As shown in Exhibit 2, in connection with that election year, an individual wishing to contribute to a candidate for California State Assembly could not contribute more than $3,900 per election. However, at that time, there was no limit on how much a committee could spend on independent expenditures in support of a candidate.

Required Reporting of Contributions on Campaign Statements

At the core of the Act's campaign reporting system is the requirement that a recipient committee must file campaign statements, including pre-election campaign statements. (See Sections 84200, et seq.) For more information about required filings, reporting periods, and filing deadlines, see the schedule attached hereto as Exhibit 3, which was published by the FPPC and which applies to the primary election that was held on June 8, 2010.

In many cases, campaign statements must be filed with multiple filing officers, including the California Secretary of State. (Section 84215.) Also, general purpose committees must file online/electronically with the California Secretary of State if the total, cumulative, reportable amount of contributions received or expenditures made is $50,000 or more. (Section 84605.)

With respect to the contents of campaign statements, each statement must include information about contributions made during the reporting period (along with other information that is not pertinent in this case). In this regard, Section 84211, subdivision (b), requires reporting of "[t]he total amount of expenditures [including contributions] made during the period covered by the campaign statement and the total cumulative amount of expenditures made." Also, Section 84211, subdivision (i), requires reporting of the total amount of expenditures

[2] Also, under such circumstances, there is a similar presumption that the payment or expenditure is "made at the behest of" the candidate or committee. (See Regulations 18225, subd. (c), and 18225.7, subd. (c)(3)(A).)

(including contributions) made during the period covered by the campaign statement to persons who have received $100 or more. Additionally, Section 84211, subdivision (k), requires that certain identifying information be provided for each person to whom an expenditure of $100 or more has been made during the period covered by the campaign statement, including the following: (1) the person's full name; (2) his or her street address; (3) the amount of each expenditure; (4) a brief description of the consideration for which each expenditure was made; and (5) in the case of an expenditure which is a contribution to a candidate, elected officer, or committee, the date of the contribution, the cumulative amount of contributions made to that recipient, the full name of the recipient, and the office and district/jurisdiction for which he or she seeks nomination or election.

Joint and Several Liability for Causing Another to Violate the Act

Section 83116.5 imposes liability for violating the Act on those who: (i) violate the Act; (ii) purposely or negligently cause another to violate the Act; or (iii) aid and abet another in violating the Act. (However, this applies only to persons who have filing or reporting obligations under the Act or who are compensated for services involving the planning, organizing, or directing of any activity regulated or required by the Act.)

When two or more persons are responsible for a violation of the Act, they are jointly and severally liable. (Section 91006.)

SUMMARY OF THE FACTS

In 2010, Assemblyman Tony Mendoza was Vice-Chair of the California Latino Legislative Caucus. At all relevant times, his Chief of Staff, Minnie Santillan, operated Respondent Voters for a New California, a committee that purported to be a general purpose committee for the purpose of making independent expenditures to support Latino candidates.

Respondent Joaquin Ross (who had worked on Assemblyman Tony Mendoza's campaign a couple of years earlier) helped Minnie Santillan operate the committee.

Minnie Santillan's employer, Assemblyman Tony Mendoza, would make telephone calls on behalf of the committee and attend fundraisers for the committee, which is how the committee raised money.

At all relevant times, Respondent Joaquin Ross was a paid principal officer of the committee—and at the same time—he was a paid general campaign manager for Luis Alejo, who was a successful candidate for the California State Assembly in 2010. Respondent Joaquin Ross provided professional services to Luis Alejo related to campaign strategy for the 2010 election year.

Count 1

Between approximately May 11 and May 14, 2010, Respondent Voters for a New California sent out three mass mailings in support of Luis Alejo's candidacy for the California State Assembly. The mass mailings included glossy color photographs, and each mailing stated, "VOTE: LUIS ALEJO FOR ASSEMBLY." The approximate cost of the mass mailings was $28,892.

On or about May 4, 2010 (a week before the first mass mailing was sent), Respondent Joaquin Ross, while purporting to act as principal officer of the committee, approved the committee's payment for the mass mailings. As described above, he also was serving as a general campaign manager for Luis Alejo at the same time. By virtue of this dual role, a rebuttable presumption arises that the committee's mass mailings in support of Luis Alejo were a non-monetary contribution to the Alejo campaign—and not an independent expenditure. (See Regulation 18550.1, subd. (b)(3).)

In addition to this rebuttable presumption, the Enforcement Division's investigation revealed various communications between Luis Alejo, Tony Mendoza and Respondent Voters for a New California (by and through Respondent Joaquin Ross and Assemblyman Tony Mendoza's Chief of Staff, Minnie Santillan). Some of these communications pertained to independent expenditures, and others pertained to certain types of campaign photographs (many of which wound up being used in the mass mailings).

For example, on April 8, 2010, Luis Alejo stated in an email to Respondent Joaquin Ross, "I just got a text from Tony Mendoza [the Assemblyman whose Chief of Staff operated Respondent Voters for a New California] that he hears IEs [independent expenditures] will drop for Janet and some for me. He states in his text that I need many more good pictures on the website ASAP!!!"

Later that morning, Respondent Joaquin Ross sent a reply email about taking the photographs and stated, "I know what they're looking for."

In accordance with the facts described above, including the dual role of Respondent Joaquin Ross and the presumption that arises from it, Respondents Voters for a New California and Joaquin Ross acknowledge that the mass mailings were a non-monetary contribution to the Alejo campaign—not an independent expenditure. Since the cost of the mass mailings was approximately $28,892, and since the applicable contribution limit for contributions to the Alejo campaign was $3,900 per election, the mass mailings amounted to an over-the-limit non-monetary contribution to the Alejo campaign.

Respondent Joaquin Ross caused the making of this over-the-limit contribution (within the meaning of Section 83116.5). While purporting to act as principal officer of Respondent Voters for a New California, Respondent Joaquin Ross approved the committee's payment for the mass mailings as described above. He knew the payment amounted to an over-the-limit contribution to the Alejo campaign, but he did not attempt to stop the mass mailings before they

were mailed (even though the mass mailings were not mailed for a week or more after he approved payment).[3]

In this way, Respondents Voters for a New California and Joaquin Ross committed one violation of Section 85301, subdivision (a), which prohibits the making of over-the-limit contributions.

Count 2

In approximately May 2010, Respondent Voters for a New California filed a false pre-election campaign statement with the Secretary of State for the reporting period ending May 22, 2010. This filing concealed the violation described in Count 1 by falsely reporting that the payment for the mass mailings was an independent expenditure—when in fact, the payment was an over-the-limit non-monetary contribution.

Respondent Joaquin Ross caused the false reporting (within the meaning of Section 83116.5). As stated above, he was serving in a dual role as the committee's principal officer and as a general campaign manager for Luis Alejo. While purporting to act as principal officer of Respondent Voters for a New California, Respondent Joaquin Ross approved the committee's payment for the mass mailings. He knew the payment amounted to an over-the-limit contribution to the Alejo campaign, but he did not attempt to stop the mass mailings before they were mailed. Also, he did not inform the treasurer of Respondent Voters for a New California that the payment needed to be reported as a contribution—even though he knew the treasurer would believe the payment to be an independent expenditure and report it accordingly.

In this way, Respondents Voters for a New California and Joaquin Ross committed one violation of Section 84211, subdivisions (b), (i), and (k), which requires accurate reporting of information about contributions made.

CONCLUSION

This matter consists of two counts. The maximum penalty that may be imposed per count is $5,000. Thus, the maximum penalty that may be imposed is $10,000. (See Section 83116, subd. (c).)

In determining the appropriate penalty for a particular violation of the Act, the Enforcement Division considers the typical treatment of a violation in the overall statutory scheme of the Act, with an emphasis on serving the purposes and intent of the Act. Additionally, the Enforcement Division considers the facts and circumstances of the violation in the context of the following factors set forth in Regulation 18361.5, subdivision (d)(1) through (6):

[3] Instead of attempting to stop the mass mailings, he resigned from the committee in an attempt to distance himself from what he knew was a mistake on his part.

(1) The seriousness of the violation;

(2) The presence or absence of any intention to conceal, deceive or mislead;

(3) Whether the violation was deliberate, negligent or inadvertent;

(4) Whether the violator demonstrated good faith by consulting the Commission staff or any other government agency in a manner not constituting a complete defense under Government Code section 83114(b);

(5) Whether the violation was isolated or part of a pattern and whether the violator has a prior record of violations of the Political Reform Act or similar laws; and

(6) Whether the violator, upon learning of a reporting violation, voluntarily filed amendments to provide full disclosure.

Regarding Count 1, making an over-the-limit campaign contribution is a serious violation of the Act. It circumvents limits imposed by California's voters, and it provides an unfair advantage to one candidate over another in an election. The most recent stipulation involving the making of an over-the-limit contribution imposed a penalty in the low range. (See *In the Matter of Badru Valani*, FPPC No. 12/430, approved Dec. 13, 2012 [$2,000 penalty imposed against contributor to California State Assembly candidate].) This was a reduced penalty, which took into account the relatively small amount of the contribution, as well as the fact that the candidate withdrew from the election and never appeared on the ballot.

In this case, a somewhat higher penalty is warranted. Respondents exceeded the contribution limit for the primary election by a substantial amount (more than $24,000), and the candidate won the election. Also, Respondent Joaquin Ross maintains that he realized he made a mistake when he approved the payment for the mass mailings on or about May 4, 2010. For a week or more after that, he had opportunity to stop the mass mailings before they were mailed, but he did not attempt to do so.

Under these circumstances, it is respectfully submitted that imposition of an agreed upon penalty in the amount of $3,000 for Count 1 is justified. A higher penalty is not being sought because Respondents cooperated with the Enforcement Division of the Fair Political Practices Commission by agreeing to an early settlement of this matter well in advance of the Probable Cause Conference that otherwise would have been held. Also, Respondents do not have a history of violating the Act.

Regarding Count 2, the public harm inherent in campaign reporting violations is that the public is deprived of important information such as the amounts expended by the campaign, the identities of the recipients of such expenditures, and the reasons for such expenditures. A recent stipulation involving violation of Section 84211, subdivisions (b), (i), and (k), imposed a penalty in the mid-range. (See *In the Matter of American Resort Development Association Resort*

Owners' Coalition PAC and Sandra DePoy, FPPC No. 11/860, approved Apr. 5, 2012 [$2,500 penalty imposed for failure to report contributions made].)

In this case, a somewhat higher penalty is warranted. Respondents' false pre-election campaign statement served to conceal the violation that is set forth in Count 1. Also, the pre-election campaign statement was filed before the election, and the contribution information should have been made available to the public before the election as well. Additionally, Respondent Joaquin Ross maintains that he realized he made a mistake when he approved the payment for the mass mailings on or about May 4, 2010. For a week or more after that, he had opportunity to stop the mass mailings before they were mailed, but he did not attempt to do so, and for weeks after that he could have informed the treasurer of Respondent Voters for a New California that the mass mailings needed to be reported as a contribution (and not as an independent expenditure), but he did not attempt to do so.

Under these circumstances, it is respectfully submitted that imposition of an agreed upon penalty in the amount of $3,500 for Count 2 is justified. A higher penalty is not being sought because Respondents cooperated with the Enforcement Division of the Fair Political Practices Commission by agreeing to an early settlement of this matter well in advance of the Probable Cause Conference that otherwise would have been held. Also, Respondents do not have a history of violating the Act.

PROPOSED PENALTY

Based on the facts of this case, including the factors discussed above, an agreed upon penalty of $6,500 is recommended.

EXHIBIT 2

California
Fair Political Practices Commission

California Contribution Limits

Fast Facts

Candidates seeking a state office and committees that make contributions to state candidates are subject to contribution limits from a single source. Contributions from affiliated entities are aggregated for purposes of the limits. (Regulation 18215.1.) The chart below shows the current limits per contributor and type of office sought. The primary, general, special, and special run-off elections are considered separate elections.

Per-election Limits on Contributions to State Candidates

(For elections held on or after January 1, 2009)

Contributor	Legislature/CalPERS	Statewide Except Governor	Governor
Person	$3,900	$6,500	$25,900
Small Contributor Committee	$7,800	$12,900	$25,900
Political Party	No Limit	No Limit	No Limit

Calendar Year Limits on Contributions to Other State Committees

(2009 and 2010)

Contributor	Committee (Not Political Party) that Contributes to State Candidates	Political Party for State Candidates	Small Contributor Committee	Committee/Political Party Not for State Candidates
Person	$6,500	$32,400	$200	No Limit*

*State committees (including political parties) may receive contributions in excess of the limits identified above as long as the contributions are NOT used for state candidate contributions. (Regulation 18534.)

Calendar Year Limits on Contributions to State Officeholder Committees

Elected state officeholders may set up officeholder accounts subject to contribution limits specified below.

Contributor	Legislature/CalPERS	Statewide Except Governor	Governor
Any Source Person, Small Contributor Committee or Political Party	$3,200	$5,400	$21,500

	Legislature/CalPERS	Statewide Except Governor	Governor
Aggregate From all Sources	$53,800	$107,500	$215,000

California Contribution Limits

Fast Facts

Legal Defense Funds
Contributions raised for a legal defense fund are not subject to contribution limits or the voluntary expenditure ceiling. However, a candidate or officeholder may raise, in total, no more than is reasonably necessary to cover attorney's fees and other legal costs related to the proceeding for which the fund is created. (Section 85304; Regulation 18530.4.)

Recall Elections
A state officeholder who is the subject of a recall may set up a separate committee to oppose the qualification of the recall measure and, if the recall petition qualifies, the recall election. Neither contribution limits nor voluntary expenditure ceilings apply to the committee to oppose the recall that is controlled by the officeholder who is the target of the recall attempt. Candidates running to replace an officeholder who is the target of a recall are subject to the contribution limits and the expenditure limits applicable to the election for that office. (Section 85315; Regulation 18531.5.)

Ballot Measure Committees
Contributions to ballot measure committees controlled by a candidate for elective state office are not limited. For additional information, see Contributions from State Candidates and Officeholders.

Contributions from State Candidates and Officeholders
A state candidate or state officeholder may not contribute more than $3,900 to a committee controlled by another state candidate or state officeholder (including a state or local election committee, legal defense fund, officeholder account, recall committee, or ballot measure committee). This limit applies on a per election basis and includes, in the aggregate, contributions made from the candidate's or officeholder's personal funds and from campaign funds. (Section 85305; Regulation 18535.)

Communications Identifying State Candidates
Any committee that makes a payment or a promise of payment totaling $50,000 or more for a communication that:

1. Clearly identifies a state candidate; but
2. Does not expressly advocate the election or defeat of the candidate; and
3. Is disseminated, broadcast, or otherwise published within 45 days of an election, may not receive a contribution from any single source of more than $32,400 in a calendar year if the communication is made at the behest of the candidate featured in the communication. (Section 85310.)

Contributions from State Lobbyists
A state lobbyist may not contribute to a state officeholder's or candidate's committee if the lobbyist is registered to lobby the 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 any such state candidate. (Section 85702; Regulation 18572.)

Contribution Limits for Local Candidates and Committees
Check with the pertinent local jurisdiction for information regarding limits imposed by a local campaign ordinance.

Expenditure Ceilings

Using the formula specified in Regulation 18544, the Commission has established the following voluntary expenditure ceilings for elections held on or after January 1, 2009:

Voluntary Expenditure Ceilings for Candidates for Elective State Offices

(For elections held on or after January 1, 2009 - Does not apply to CalPERS Candidates, Section 85400(a))

Office	Primary/Special Election	General/Special Runoff Election
Assembly	$518,000	$906,000
Senate	$777,000	$1,165,000
Governor	$7,768,000	$12,946,000
Lt. Governor, Attorney General, Insurance Commissioner, Controller, Secretary of State, Supt. of Public Instruction, Treasurer	$5,178,000	$7,768,000
Board of Equalization	$1,295,000	$1,942,000

EXHIBIT 3

Fair Political Practices Commission
Filing Schedule for Electronic Filers (E-Filers)
State General Purpose Recipient Committees (Except Political Party Committees)
June 8, 2010 Election Filing Schedule

Deadline	*Period*	*Form*	*Notes*
Feb 1, 2010 *Semi-Annual*	**7/1/09 - 12/31/09**	450 or 460 & possibly 465	▪ Online and paper filing. ▪ The January 31 deadline falls on Sunday, so the deadline is extended to the next business day.
Within 24 Hours *90-Day Independent Expenditure Report*	**3/10/10 - 6/8/10**	496	▪ Online only – no paper filing. ▪ File if an independent expenditure of $1,000 or more is made in connection with a state candidate or state ballot measure being voted on June 8.
Mar 22, 2010 *Pre-Election*	**1/1/10 - 3/17/10**	450 or 460 & possibly 465	▪ Online and paper filing. ▪ Pre-Election Reports - File if contributions or independent expenditures totaling $500 or more are made during the period covered by the statement. ▪ File Form 465 if the committee makes independent expenditures totaling $1,000 or more to support or oppose a candidate or a ballot measure being voted on June 8 during the corresponding period.
May 27, 2010 *Pre-Election*	**3/18/10 - 5/22/10**	450 or 460 & possibly 465	▪ Online and paper filing. ▪ Pre-Election Reports - File if contributions or independent expenditures totaling $500 or more are made during the period covered by the statement. ▪ File Form 465 if the committee makes independent expenditures totaling $1,000 or more to support or oppose a candidate or a ballot measure being voted on June 8 during the corresponding period.
Within 48 Hours *Issue Advocacy Report*	**4/24/10 - 6/7/10**	E-530	▪ Online only – no paper filing. ▪ File if a payment or promise of payment of $50,000 or more is made during the 45 days prior to an election for a communication that identifies a state candidate being voted on in the election but does not expressly advocate the election or defeat of the candidate.
Within 24 Hours *Late Reports*	**5/23/10 - 6/7/10**	496 497	▪ Online and the paper filing must be sent by personal delivery, guaranteed overnight service, or fax. ▪ 496: File if an independent expenditure of $1,000 or more is made in connection with a local election held on June 8. See above for independent expenditures made in connection with the June 8 state election. ▪ 497: File if a contribution of $1,000 or more is made in connection with a candidate or measure being voted on June 8 or made to a political party committee.
Aug 2, 2010 *Semi-Annual*	**5/23/10 - 6/30/10**	450 or 460 & possibly 465	▪ Online and paper filing. ▪ The July 31 deadline falls on Saturday, so the deadline is extended to the next business day.

Fair Political Practices Commission
Filing Schedule for Electronic Filers (E-Filers)

State Ballot Measure Expenditures

Deadline	*Period*	*Form*	*Notes*
Within 10 Business Days of the Expenditure *$5,000 Report*	**See 3rd bullet**	496 497	▪ Online only – no paper filing. ▪ Report each contribution or independent expenditure totaling $5,000 or more to support or oppose the qualification or passage of a single state ballot measure. ▪ **Period:** List all new contributions of $100 or more received by the committee that have not been previously reported up through the date of the $5,000 or more payment.

- **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. Some committees may have filed an odd-year report in 2009 so the period covered date may be different.
- **Paid Spokesperson:** A committee that makes an expenditure totaling $5,000 or more to an individual to appear in an advertisement to support or oppose a ballot measure must report the expenditure within 10 days on Form 511.
- **90-Day Election Cycle Reports:** "Election cycle" is defined as 90 days prior to an election and ending on the date of election.
- **Late Statements:** Except for deadlines that fall on a Saturday, Sunday, or an official state holiday, filing deadlines may not be extended. Late statements are subject to a $10 per day late fine.
- **Contribution Limits:** Contributions to state candidates and to committees that make contributions to state candidates are subject to contribution limits. Some committees that feature state candidates in advertisements are also subject to contribution limits.
- All statements are public documents. Paper filings may be sent by first class mail unless otherwise noted.
- For important information refer to www.fppc.ca.gov and click on the Candidates and Committees section.