

December 11, 2014
Via Email/Facsimile Only

Councilmember Lena Gonzalez (District1@LongBeach.gov)
Chair, Elections Oversight Committee
333 W. Ocean Blvd., 14th Floor
Long Beach, CA 90802

Dear Councilmember Gonzalez:

I write to express my own opinions and do not write on behalf of any California Political Law, Inc. client.

I reviewed the Elections Oversight Committee Agenda Item # 3 report for the December 16 meeting and write to express extreme concern about the proposal that **“The candidate responsible for reporting the contribution shall provide and include in the report the identity(ies) of the individual(s) affiliated with the entities referenced on the contributions.”**

Individuals and entities that are “affiliated” are considered the same donor and all contributions from them may not exceed the applicable contribution limit. I read the proposal to mean that for every entity that contributes the Form 460 must include the names of all individuals who are affiliated with the entity, even if none of those individuals makes a contribution. This requirement would apply to businesses, associations and other organizations.

This provision is extremely burdensome and impacts the privacy rights of business entities, organizations, associations, and individuals. What private financial and control information about business/organization relationships are donors going to allow to be made public on a Form 460 simply because they are exercising their right to make a political contribution?

The time it will take for candidates, officeholders, fundraisers, and treasurers to comply is literally incalculable and should be expected to result in substantially higher compliance costs to officeholder committees and campaign committees. Complying will require significant time to explain this requirement to every entity for which names must be obtained, to obtain those names, and to enter the data for the FPPC Form 460.

The threshold analysis before enacting such a burdensome regulation should be: How big of a problem is over the limit contributions in Long Beach officeholder accounts and campaigns?

I support officeholder committees and campaign committees providing a notice to all donors about when contributors are affiliated and share a single contribution limit as an avenue to assist donors, elected officials, candidates, and campaigns and officeholder committee treasurers and fundraisers. However, the alternative notice provision also requires “certification” for business

entities and their employees, but lacks clarity regarding what "certification" involves and does not address why only business entities are affected. This lack of clarity could lead to inconsistent application. What information will be considered as fulfilling the requirement? For example, will the donor be required to sign a declaration or provide a list of all owners to the City Clerk? Or will the elected official, candidate and/or committee treasurer have to provide a statement under penalty of perjury regarding efforts made to obtain the information?

I wish to respectfully suggest a "two step" process to educate donors, elected officials, candidates, fundraisers and treasurers, and to enhance compliance with the contribution limits applicable to officeholder committees and campaigns.

First, enact a provision requiring campaigns for the 2016 election cycle and officeholder accounts to provide written notice to potential donors about affiliation requirements. The notice could be placed on any written solicitation for contributions (including remit forms) and on the contribution page of websites. Second, following the 2016 election cycle, conduct an assessment to determine if the written notice sufficiently addressed existing concerns or whether additional regulation is truly needed.

I would be pleased to answer any questions or provide additional information about my concerns in advance of the Elections Oversight Committee meeting, or during the Committee meeting. My contact information is on the first page of this letter. Thank you for considering my concerns and suggestions.

Regards,



Betty Ann Downing

CC: Mayor Robert Garcia (Mayor@LongBeach.gov)
City Attorney Charles Parkin (CityAttorney@LongBeach.gov)
City Auditor Laura Doud (via fax 562/570-6167)
City Prosecutor Doug Haubert (Prosecutor@LongBeach.gov)
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Ms. Sharon Weissman for Council District 4 (District4@LongBeach.gov)
City Clerk Larry Herrera (CityClerk@LongBeach.gov)
Political Treasurers & Fundraisers: David Gould, Gary Crummitt, Jane Leiderman, Melahat Rafiei, Genelle Buchert, Stephanie Daily Smith (via email)