# 2013 COMMITTEE MANUAL
# Council District 4 Special Elections

Campaign Finance Information for the
Following Committees:

- Primarily Formed Recipient Committees
- City, County, and State General Purpose Recipient Committees
- City, County, and State Independent Expenditure Committees

Technical assistance via telephone: (619) 533-3476
Via email: ethicscommission@sandiego.gov

January 7, 2013
(Rev. March 29, 2013)

# Table of Contents

**Introduction** ..... **Introduction - 1**
**Chapter 1 - Campaign Committees Explained** ..... **1-1**
Recipient Committees ..... 1-1
Primarily Formed Recipient Committees ..... 1-2
General Purpose Recipient Committees ..... 1-2
Independent Expenditure Committees ..... 1-3
City of San Diego Independent Expenditure Committees ..... 1-3
County Independent Expenditure Committees ..... 1-3
State Independent Expenditure Committees ..... 1-3
Considerations for Multi-Purpose Organizations ..... 1-3
Considerations for Sponsored Committees ..... 1-4
General Filing Notes ..... 1-4
Flowchart: Types of Political Committees ..... 1-4
**Chapter 2 - "Candidate" Primarily Formed Recipient Committees** ..... **2-1**
Naming Requirements ..... 2-1
Limits and Prohibitions ..... 2-2
Checking Account ..... 2-2
Recordkeeping ..... 2-2
Filing Official ..... 2-3
Typical Filings with the City Clerk ..... 2-3
Campaign Statements ..... 2-4
Form 410 Statement of Organization (initial) ..... 2-4
Form 410 Statement of Organization (amendment) ..... 2-5
Form 410 Statement of Organization (termination) ..... 2-5
Form 425 Semi-Annual Statement of No Activity ..... 2-6
Form 450 Recipient Committee Short Form (semi-annual and pre-election report) ..... 2-6
Form 460 Recipient Committee Campaign Statement (pre-election report) ..... 2-6
Form 460 Recipient Committee Campaign Statement (semi-annual report) ..... 2-7
Form 460 Recipient Committee Campaign Statement (termination) ..... 2-7
Form 465 Supplemental Independent Expenditure Report ..... 2-8
Form 496 Independent Expenditure Report (90 Day) ..... 2-9
Form 497 Contribution Report (90 Day) ..... 2-9
Form 497 Contribution Report (supplemental pre-election report) ..... 2-10
Electronic Filing ..... 2-11
Audits ..... 2-11

**Chapter 3 - "City" General Purpose Recipient Committees ..... 3-1**
Naming Requirements ..... 3-1
Limits and Prohibitions ..... 3-1
Recordkeeping ..... 3-2
Filing Official ..... 3-2
Typical Filings with the City Clerk ..... 3-3
Campaign Statements ..... 3-3
Form 410 Statement of Organization (initial) ..... 3-3
Form 410 Statement of Organization (amendment) ..... 3-4
Form 410 Statement of Organization (termination) ..... 3-4
Form 425 Semi-Annual Statement of No Activity ..... 3-5
Form 450 Recipient Committee Short Form (semi-annual and pre-election report) ..... 3-5
Form 460 Recipient Committee Campaign Statement (pre-election report) ..... 3-5
Form 460 Recipient Committee Campaign Statement (semi-annual report) ..... 3-6
Form 460 Recipient Committee Campaign Statement (termination) ..... 3-6
Form 465 Supplemental Independent Expenditure Report ..... 3-7
Form 496 Independent Expenditure Report (90 Days) ..... 3-7
Form 497 Contribution Report (90 Days) ..... 3-8
Electronic Filing ..... 3-9
**Chapter 4 - State and County General Purpose Recipient Committees ..... 4-1**
Limits and Prohibitions ..... 4-1
Filing Official ..... 4-2
Typical Filings with the City Clerk ..... 4-2
Campaign Statements ..... 4-2
Form 465 Supplemental Independent Expenditure Report ..... 4-2
Form 496 Independent Expenditure Report (90 day) ..... 4-3
Electronic Filing ..... 4-4
**Chapter 5 - "City" Independent Expenditure Committees ..... 5-1**
Limits and Prohibitions ..... 5-1
Filing Official ..... 5-2
Typical Filings with the City Clerk ..... 5-2
Campaign Statements ..... 5-2
Form 461 Independent Expenditure Committee Campaign Statement (pre-election report) ..... 5-2
Form 461 Independent Expenditure Committee Campaign Statement (semi-annual report) ..... 5-3
Form 465 Supplemental Independent Expenditure Report ..... 5-4
Form 496 Independent Expenditure Report (90 days) ..... 5-5
Form 497 Contribution Report (90 days) ..... 5-5
Electronic Filing ..... 5-6

**Chapter 6 - State & County Independent Expenditure Committees ... 6-1**
Limits and Prohibitions ... 6-2
Filing Official ... 6-2
Typical Filings with the City Clerk ... 6-2
Campaign Statements ... 6-2
Form 465 Supplemental Independent Expenditure Report ... 6-2
Form 496 Independent Expenditure Report (90 days) ... 6-3
Electronic Filing ... 6-4
**Chapter 7 - Making Independent Expenditures in the City of San Diego ... 7-1**
At the Behest ... 7-1
Limits on Contributions and Expenditures ... 7-3
Coordination Between Committees ... 7-3
**Chapter 8 - Campaign Advertising and Advocacy in the City of San Diego ... 8-1**
Mass Campaign Literature ... 8-1
Telephone Communications ... 8-1
Billboards and Large Signs ... 8-2
Mass Media Advertisement ... 8-3
Radio and Television Advertising ... 8-3
Electronic Advertising ... 8-3
Identification of $10,000 Donors ... 8-3

# What's New for 2013

The following recent amendments to City and state campaign finance laws, effective January 1, 2013, are applicable to the Council District 4 special election and special run-off election:

- **Identifying $10,000 Donors on Advertisements.** Committees primarily formed to support or oppose one or more candidates must disclose on their advertisements the names of their top 2 donors of $10,000 or more.
- **Electronic Filing.** Committees subject to electronic filing (i.e., those that have received contributions or made expenditures of $10,000 or more in connection with San Diego elections) are not required to paper file the campaign statements they have filed electronically.
- **24 Hour Filing – Independent Expenditures.** Committees must file a Form 496 within 24 hours to disclose independent expenditures of $1,000 or more made during the 90 days leading up to the election. Previously, the form was required only during the 16 days prior to the election.
- **24 Hour Filing – Contributions.** Committees must file Form 497 within 24 hours to disclose contributions of $1,000 or more made or received during the 90 days leading up to the election. Previously, the form was required only during the 16 days prior to the election.
- **3rd Pre-election Statements – Closing Date.** The 3rd pre-election filing (for committees primarily formed to support or oppose one or more candidates) now has a closing date of the Wednesday before the election and covers all contributions received through that day (the filing deadline remains the Friday before the election).
- **3rd Pre-election Statements – Content.** Instead of filing a Form 460 containing all of the committee's activities during the reporting period, committees primarily formed to support or oppose one or more candidates will now file a Form 497 to report only the contributions of $100 or more received during the reporting period.
- **Yard signs.** These forms of campaign advertising must include a "paid for by" disclosure in a font size at least 5% of the height of the sign.
- **Telephone Communications.** The 500 call threshold for including a "paid for by" or similar disclosure on advocacy and polling calls applies only to "substantially similar" calls.
- **Large Forms of Advertising.** Campaign signs that are 30 square feet in size or larger must include a "paid for by" disclosure in a font size at least 5% of the height of the sign.
- **Returning Contributions.** Committees primarily formed to support or oppose one or more candidates are no longer required to physically return contribution checks that cannot lawfully be deposited.

# Introduction

This manual is designed to help political committees understand and comply with the City of San Diego's campaign laws as they support or oppose candidates running in the Council District 4 special elections. It is intended to serve as a supplement to the State of California Fair Political Practices Commission's [FPPC] Campaign Disclosure Manuals, which can be viewed online at the following address: http://www.fppc.ca.gov/index.php?id=505

Throughout this manual, the March 26, 2013, election will be referred to as the "special election." If no candidate obtains 50% or more of the votes at the special election, the City will conduct a run-off election in May of 2013 for the two candidates who received the highest and second highest number of votes in the special election. [3/29/13 update: the City Council has called for a special run-off election to be held on May 21, 2013.] Throughout this manual, the May 2013 election will be referred to as the "special run-off election."

This manual is not designed for candidates. The Ethics Commission has prepared a separate 2013 Candidate Manual designed solely for candidates and their election committees. The candidate manual is available on the Commission's website (www.sandiego.gov/ethics).

Also available on the Commission's website are a number of fact sheets providing guidance on specific aspects of the City's campaign laws and a series of Frequently Asked Questions. In addition, in the Advice Letters section of the Commission's website you will find formal letters of advice addressing questions relating to the City's ethics laws, including campaign finance laws.

This manual is also not designed for major donors (individuals and entities that make monetary or non-monetary contributions to candidates and committees totaling $10,000 or more in a calendar year). The City does not regulate major donors; contact the FPPC for assistance.

The majority of the state's campaign laws have been incorporated into the City's laws. This manual focuses on the particular rules and requirements that govern committees participating in the Council District 4 special elections, including City laws that are more stringent than the state's laws.

This manual is not meant to serve as a substitute for the actual provisions in state law (the Political Reform Act) or City law (the Election Campaign Control Ordinance).

The City Clerk is the filing official for the City of San Diego and is responsible for administering the City's elections. Questions concerning filing procedures should be directed to the City Clerk as follows:

(619) 533-4025
www.sandiego.gov/city-clerk

Other requests for advice and assistance concerning the City's campaign laws, including questions concerning the contents of disclosure statements, should be directed to the Ethics Commission as follows:

(619) 533-3476
ethicscommission@sandiego.gov

Keep in mind that the Ethics Commission can only provide technical assistance to committees and their representatives in advance of any contemplated action. In other words, the Ethics Commission cannot help you after you have violated the City's campaign laws, so please be sure to contact our office before you take the action in question.

Finally, please remember that your decision to participate in a City of San Diego election carries with it certain responsibilities. In particular, you are required to abide by state and local laws that regulate the conduct of political committees, which are explained in detail in the FPPC Manuals and in the various chapters in this manual. The failure to adhere to these laws could result in a variety of penalties, including but not limited to administrative fines imposed by the Ethics Commission in amounts up to $5,000 per violation.

# Chapter 1
# Campaign Committees Explained

Committees active in City of San Diego elections may take a number of different forms, depending on where their money comes from and how their money is spent. Entities that accept payments and use some or all of these payments for political purposes are considered "recipient committees" and can be either a "primarily formed recipient committee" or a "general purpose recipient committee."

On the other hand, an entity that spends its own money for political purposes without accepting payments from others is called an "independent expenditure committee."

**Note: Although primarily formed recipient committees and general purpose recipient committees may make independent expenditures, they are not classified as "independent expenditure committees."**

The rules defining the different types of committees are a matter of state law. The flowchart at the end of this chapter illustrates these rules, as described more fully below:

**Recipient Committees**

Whether a recipient committee is a "primarily formed recipient committee" or a "general purpose recipient committee" depends on where it spends its money for political purposes. On a quarterly basis, each type of recipient committee must count the contributions and expenditures it made to support or oppose candidates or measures during:

- The immediate preceding 24 months; or
- The period beginning January 1 of the most recent odd numbered year, through the end of the most recent calendar quarter. For example, a committee evaluating its activities on March 30, 2012, would review the period from January 1, 2011, through March 30, 2012.
- The committee must use whichever time period that most accurately reflects its current and upcoming activities.

Each committee must review its activity at the end of March, June, September, and December to determine whether it must change its designation, except as set forth below.

- A committee that has not made contributions or expenditures of $5,000 or more to support or oppose candidates or measures in the preceding quarterly time period is not required to review or change its status.
- A <u>new committee</u> formed within six months of an election in connection with which it will make contributions or expenditures must review its activity at the end of each month (unless it has not made contributions or expenditures of $1,000 or more to support or oppose candidates or measures that month).
- If a committee's status changes, it must file a Form 410 amendment within ten days.

**Note: If a City recipient committee changes its status to a state or county committee in the middle of the year, it must continue filing a copy of its campaign statements with the City Clerk until the end of the calendar year.**

***Primarily Formed Recipient Committees***

A committee is a City of San Diego primarily formed recipient committee under either of the following circumstances:

A. It was created for the purpose of, or is involved in, running the principal campaign for or against (1) a single City of San Diego candidate; (2) a single City of San Diego ballot measure; (3) a group of candidates running for office in the same City of San Diego election; or (4) two or more ballot measures being voted upon in the same City of San Diego election.

OR

B. More than 70% of its contributions and expenditures are spent on: (1) a single City of San Diego candidate; (2) a single City of San Diego ballot measure; (3) a group of candidates running for office in the same City of San Diego election; or (4) two or more ballot measures being voted upon in the same City of San Diego election.

Accordingly, a committee created to support or oppose one or more candidates running to fill the vacancy in Council District 4 is a primarily formed recipient committee. A committee whose expenditures have reached the 70% threshold described above in support of or opposition to one or more candidates running to fill the vacancy in Council District 4 is also a primarily formed recipient committee.

**NOTE: An existing general purpose recipient committee is not required to change to a primarily formed recipient committee unless the 70% threshold has been met and it has spent at least $10,000 supporting the relevant candidate(s) or measure(s).**

Primarily formed recipient committees are further divided depending on whether they are focused on candidates or ballot measures in an upcoming election. A committee formed to support one or more candidates in the same election will be referred to as a candidate primarily formed recipient committee. These committees are discussed in greater detail in Chapter 2 of this manual.

***General Purpose Recipient Committees***

A recipient committee that is not a primarily formed recipient committee is a "general purpose recipient committee." These committees are typically not limited to a single election. They are ongoing in nature and generally support a variety of candidates and ballot measures, often in multiple jurisdictions.

At the time of registration, a general purpose recipient committee must declare whether it is a state, county, or city committee. Its committee status may change in the future, depending on whether it makes more than 70% of its contributions or expenditures on candidates or measures being voted on in the same city or county.

***Example:*** *Revolt Against Taxes was formed in 2004 as a County of San Diego general purpose recipient committee. When reviewing the contributions and expenditures it made over the previous two years, it determined that 72% of those payments were made for the purpose of opposing City of San Diego candidates and ballot measures. Revolt Against Taxes will file a Form 410 amendment to redesignate itself as a City of San Diego general purpose recipient committee.*

City general purpose recipient committees are discussed in greater detail in Chapter 3 of this manual. County and state general purpose recipient committees are discussed in greater detail in Chapter 4 of this manual.

**Independent Expenditure Committees**

An independent expenditure committee is an individual or entity (e.g., corporation, firm, business, or proprietorship) that makes one or more independent expenditures totaling $1,000 or more in a calendar year. An "independent expenditure committee" is not a "recipient" committee; it does not accept payments from others to fund its political activities.

***Example:*** *Solara Industries is a local business interested in supporting a candidate running for office in Council District 4. It spends $1,500 of its own money on a billboard urging people to vote for that candidate. It has become an independent expenditure committee.*

Independent expenditure committees qualify anew as a committee each year. For purposes of determining its jurisdiction, an independent expenditure committee counts contributions and expenditures made to support or oppose candidates or measures during the current calendar year, and calculates the percentage quarterly at the end of March, June, September, and December.

An independent expenditure committee that has not made contributions or expenditures of $5,000 or more to support or oppose candidates or measures in the preceding quarterly time period is not required to review or change its status.

Depending on the calculation, an independent expenditure committee will fall within one of these three categories:

***City of San Diego Independent Expenditure Committees***

If 70 percent or more of a committee's contributions and expenditures are made to support or oppose City of San Diego candidates and/or ballot measures, and it has not spent any money on state candidates or measures, then it is a City of San Diego independent expenditure committee. These types of committees are discussed in greater detail in Chapter 6.

***County Independent Expenditure Committees***

If 70 percent or more of a committee's contributions and expenditures are made to support or oppose candidates or ballot measures voted on in a single county, or in more than one jurisdiction within a single county, and it has not spent any money on state candidates or measures, then it is a county independent expenditure committee. These types of committees are discussed in greater detail in Chapter 7.

***State Independent Expenditure Committees***

If a committee has spent any amount of money on state candidates or measures, then it is a state independent expenditure committee. These committees, along with county independent expenditure committees, are discussed in greater detail in Chapter 7.

**Considerations for Multi-Purpose Organizations**

An entity established for purposes other than making contributions or independent expenditures may not consider itself a political committee. If, however, such an entity decides to get involved in a political campaign, it may nevertheless qualify as a recipient committee. For example, a nonprofit organization created to support union activities may qualify as a recipient committee if it makes political expenditures using dues, donations, or similar payments.

State law (FPPC Regulation 18215) establishes a rule that these types of organizations must follow when determining whether or not they qualify as recipient committees. A multi-purpose organization that uses payments from its members or donors to make campaign contributions or political expenditures totaling $1,000 or

more has essentially put its members and donors on notice that some or all of their funds will be used for political purposes. If the organization makes another campaign contribution or political expenditure in California in the next four years, it will become a recipient committee with disclosure obligations.

Contact the Ethics Commission for additional assistance determining whether a multi-purpose entity has become a political committee.

**Considerations for Sponsored Committees**

When an entity is largely responsible for funding the operations of a committee or controls the administrative aspects of a committee, that entity may be the committee's "sponsor." When an entity sponsors a committee, it must be identified in the committee's name for purposes of filing campaign statements and making disclosures on campaign advertisements.

A "sponsor" of a committee means any entity (individual, business, organization, etc.) to whom any of the following applies:

- The committee receives 80 percent or more of its contributions either from the entity or from the entity's members, officers, employees or shareholders;
- The entity collects contributions for the committee by use of payroll deductions or dues from its members, officers or employees;
- The entity provides, alone or in combination with other organizations, all or nearly all of the administrative services for the committee; or
- The entity sets, alone or in combination with other organizations, the policies for soliciting contributions or making expenditures of committee funds.

If a committee is a sponsored committee, it must include the name of its sponsor in the name of the committee. If the sponsored committee has more than one sponsor and the sponsors are members of an industry or other identifiable group, the name of the committee must include a term identifying that industry or group.

Contact the Ethics Commission for additional assistance regarding the requirements applicable to sponsored committees.

**General Filing Notes**

Keep in mind that although this manual focuses on campaign statements that are filed with the San Diego City Clerk, committees may also have reporting obligations with other filing officials in California. For example, all recipient committees must file a Statement of Organization (Form 410) with the Secretary of State. In addition, when a City of San Diego committee spends money on independent expenditures in other jurisdictions, it must file disclosure statements with the filing official in that jurisdiction.

Committees should also be mindful of the following rules:

- Every committee that has spent $10,000 or more on City elections <u>must</u> electronically file campaign statements using the City Clerk's online filing system. <u>A campaign statement that has been filed electronically need not be filed in paper format.</u>
- Notwithstanding the previous bullet, there is no requirement that the Form 410 be filed electronically.
- Filing deadlines that fall on a Saturday, Sunday, or an official City holiday are extended to the next business day. This

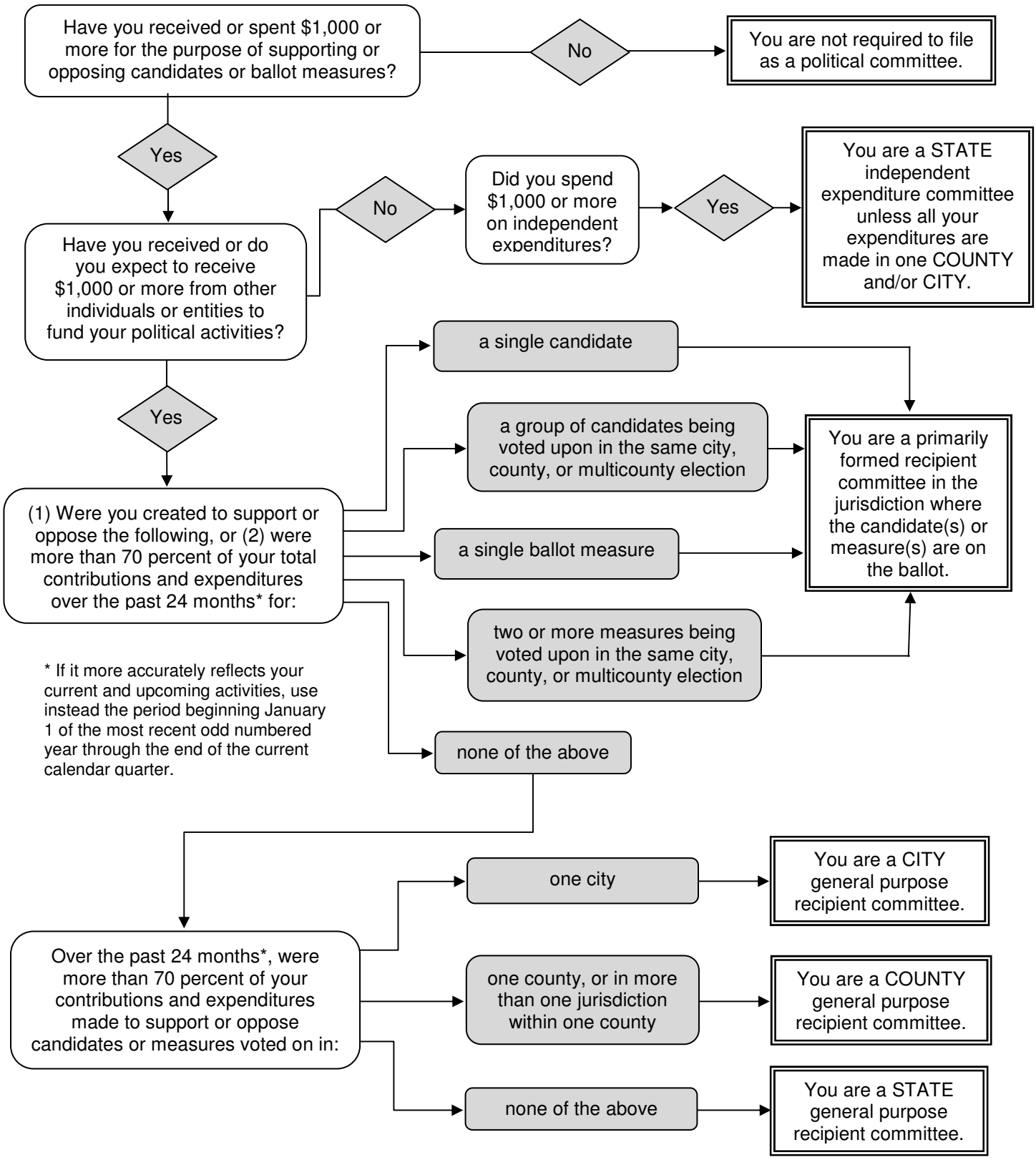
rule applies to electronic filings and paper filings. Note, however, that this rule does not apply to the Form 496 and certain types of Form 410 amendments made within 16 days of an election. The extension also does not apply to a Form 497 due on a Saturday, Sunday, or official City holiday immediately prior to the date of an election.

- Most campaign statements may not be filed by fax. An exception exists for committees not required to file campaign statements electronically; such committees may file their 24 hour reports (Forms 496 and 497) by fax.

- Campaign statements may not be filed by e-mail.

- Campaign statements may be filed at any time prior to the deadline so long as they include all required information.

# Flowchart: Types of Political Committees



# Chapter 2
# "Candidate" Primarily Formed Recipient Committees

This chapter focuses on recipient committees that are primarily formed to support or oppose one or more candidates seeking to fill the Council District 4 vacancy.

For purposes of this chapter, a committee is a City "candidate" primarily formed recipient committee under either of the following circumstances:

A. It was created for the purpose of, or is involved in, running the principal campaign for or against (1) a single City of San Diego candidate; or (2) a group of candidates running for office in the same City of San Diego election.

OR

B. It spends more than 70 percent of its total contributions and expenditures on (1) a single City candidate (or against that candidate's opponents); or (2) a group of candidates being voted upon in the same City election.

Note that this type of committee is not controlled by a candidate. See the Ethics Commission's candidate manual for information regarding committees controlled by candidates for the purpose of seeking elective office.

This type of committee needn't spend all of its funds on the candidate for which it was primarily formed. It can also support other candidates and measures. Substantial payments for other purposes may, however, cause the committee's status and/or jurisdiction to change.

Refer to the rules in Chapter 1 for determining whether a committee is, or is not, a primarily formed recipient committee, e.g., whether it has reached the 70% threshold. Keep in mind that the committee must recalculate the applicable percentage quarterly at the end of March, June, September, and December. A new committee formed within six months of the District 4 special election or special run-off election and making contributions or expenditures in connection with these elections must calculate the percentage at the end of each month in which it spent $1,000 or more.

Note that an existing general purpose recipient committee that meets the 70% threshold for a City candidate or group of City candidates on the same ballot will not have to redesignate itself as a primarily formed committee unless it has also spent $10,000 for those candidates.

***Example:*** *The Alliance for Preventing Hunger is a general purpose recipient committee that recently focused its spending on a Council District 4 candidate. When performing its quarterly review, the committee calculated that it spent $9,500 to support that candidate, an amount representing 74% of the contributions and expenditures it made during the review period. Even though it reached the 70% threshold, the committee will not have to redesignate as a primarily formed recipient committee because it did not also reach the $10,000 threshold.*

**Naming Requirements**

The name of a committee primarily formed to support or oppose one or more City candidates must include the last name of each candidate whom the committee supports or opposes, along with the office sought and year of the election. In addition,

a sponsored committee must contain the name of its sponsor.

***Example:*** *A committee is primarily formed to support Belinda Branson for Council District 4 in the March 2013 special election. It obtains nearly all of its funding from the Emerald Hills Business Owners Association. When it files its Form 410 Statement of Organization, the committee identifies itself as "Businesses for Branson - Council District 4 in 2013 - sponsored by the Emerald Hills Business Owners Association."*

**Limits and Prohibitions**

The City's campaign laws do not impose on primarily formed recipient committees any limits on the sources or amounts of contributions they receive. For example, such committees may receive a $5,000 contribution from a business entity and use those funds to make an independent expenditure supporting a City candidate.

**NOTE: These committees must be careful when accepting contributions from candidate-controlled committees, which are prohibited under state law from making contributions to other committees for the purpose of making independent expenditures supporting or opposing a candidate.**

Primarily formed recipient committees may not make a contribution directly to a City candidate. Nor may they make expenditures at the request, suggestion, or direction of, or in cooperation, consultation, concert or coordination with, a City candidate. Such expenditures are not considered "independent"; they would instead be treated as an unlawful in-kind (non-monetary) contribution to the candidate.

**Checking Account**

All City of San Diego primarily formed recipient committees must open a campaign checking account at a financial institution that has a branch office in the City of San Diego. All contributions must be deposited into this account, and all expenditures must be made from this account. In addition:

- a committee has "received" a contribution whenever any representative of the committee (i.e. treasurer or fundraiser) takes possession of the contribution.
- once the committee receives a contribution, it must be deposited into the committee's bank account within 40 calendar days; see the "Recordkeeping" section below for information that must be obtained from the contributor before a contribution is deposited.
- if a contribution check is not deposited within 40 calendar days, it should be voided, destroyed, or returned to the contributor.

**Recordkeeping**

Primarily formed recipient committees are required to maintain records associated with all contributions received and all expenditures made by their committees for a period of four years. In particular, committees must maintain the following records:

- for contributions made via check, credit card, or electronic payment, copies of the written instrument, credit card receipt, and/or transaction records, as well as deposit slips;
- for cash contributions, a notation that cash was received, and a legible photocopy of the bank deposit slip showing that the cash contribution was deposited into the campaign contribution checking account;
- if a contribution is something other than money, a description of what was

contributed, a reasonable good faith estimate of the monetary value of the contribution, and the basis for the estimate;

- for each check drawn on the campaign checking account, the canceled check, the bank statement showing the payment, the name of the payee of each check, an itemized record of the goods or services for which each check was issued, and legible photocopies or originals of any invoices, bills, or other supporting documents for which funds were disbursed.

In addition, the City of San Diego has more stringent laws than the State of California when it comes to records associated with contributors. In particular, unlike state law, local law requires that primarily formed recipient committees obtain all of the following information before a contribution may be deposited:

- the contributor's full name; and
- the contributor's street address (business addresses are permitted but not post office boxes); and
- the contributor's occupation and employer (if the contributor has given the committee a total of $100 or more). If a contributor is self-employed, the committee must obtain the name of the business.

This requirement applies to all contributions, whether they are made via cash, check, or credit card.

Although the City's laws do not expressly require that committees obtain contributor information directly from the contributor, the Ethics Commission strongly encourages them to do so to avoid obtaining inaccurate information. If you choose to obtain the required information from other sources (e.g., the host of a fundraiser or a campaign statement filed by another committee), you do so at your own risk. Remember that the failure to disclose accurate contributor information could result in an Ethics Commission fine.

Committee representatives must produce copies of records associated with campaign contributions and expenditures to the Ethics Commission upon request. In addition, if requested, committees must provide the Ethics Commission with written authorization to obtain records pertaining to their campaign bank accounts.

**Filing Official**

The San Diego City Clerk is the primary filling official for the committee. Nearly all of the committee's campaign statements will be filed solely with the City Clerk. One exception is the Statement of Organization (Form 410), which is filed with the Secretary of State (and a copy filed with the City Clerk). In addition, if the committee makes independent expenditures in another jurisdiction, it may have to file reports with the filing official in that jurisdiction.

Every committee that has received $10,000 in contributions or made $10,000 in expenditures in connection with City elections must file all of its campaign statements using the City Clerk's electronic filing system (except for the Form 410, which can be filed either in paper format or electronically if the committee is using third party vendor software to access the system). Documents filed electronically do not need to also be filed in paper format.

**Typical Filings with the City Clerk**

Form 410 – upon qualifying as a committee

Form 410 – amendments to committee information

Form 460 – pre-election activity

Form 460 – semi-annual activity

Form 465 – independent expenditures made

Form 496 – independent expenditures made during the 90 days prior to the election

Form 497 – contributions made or received during the 90 days prior to the election

From 410 – termination of committee

Form 460 – termination of committee

***Example:*** *A committee is formed to support a candidate for Council District 4's special election. On January 14, 2013, within ten days of raising $1,000 in contributions, it files a Form 410 with the Secretary of State (copy with the City Clerk). It will also file:*

- ✓ *two pre-election Forms 460, each accompanied by a Form 465 if the committee makes independent expenditures during the pre-election period;*
- ✓ *a third pre-election statement using Form 497;*
- ✓ *a Form 496 within 24 hours for each independent expenditure of $1,000 or more made during the 90 days prior to the special election; and,*
- ✓ *a Form 497 within 24 hours for any contribution of $1,000 or more made or received during the 90 days prior to the special election.*

*After the election, if the candidate doesn't proceed to the special run-off election in May, the committee may close the committee by filing a Form 410 termination statement with the Secretary of State (copy with the City Clerk) and a Form 460 termination statement with the City Clerk.*

*If the candidate is on the ballot for the special run-off election, the committee will also file for that election:*

- ✓ *One pre-election Form 460, accompanied by a Form 465 if the committee makes independent expenditures during the pre-election period.*
- ✓ *A second pre-election statement using Form 497*
- ✓ *a Form 496 within 24 hours for each independent expenditure of $1,000 or more made during the 90 days prior to the special run-off election; and,*
- ✓ *a Form 497 within 24 hours for any contribution of $1,000 or more made or received during the 90 days prior to the special run-off election.*
- ✓ *After the special run-off election, the committee may close the committee by filing a Form 410 termination statement with the Secretary of State (copy with the City Clerk) and a Form 460 termination statement with the City Clerk.*

*If the committee doesn't terminate before the end of June, it will file a Form 460 semi-annual statement by the end of July to report its activities through the end of June, and will continue to file semi-annually until it terminates.*

**Campaign Statements**

The following are the general filing rules applicable to primarily formed recipient committees formed to support or oppose a City candidate in the Council District 4 special election or special run-off election.

## Form 410 Statement of Organization (initial)

Basic Rule: An entity must file this form when it becomes a primarily formed recipient committee (by receiving $1,000 in contributions).

Committees state their official name on the Form 410. As indicated above, the name must include the last name(s) of the candidate(s) supported or opposed, the office sought, and the year of the election. It must also state whether the committee supports or opposes the candidate. If the committee is sponsored by another entity, the sponsor's name must appear within the committee's name.

When to File: The Form 410 must be filed within 10 days of the committee receiving $1,000 or more.

The Form 410 may be filed prior to raising $1,000, but must be amended within 10 days of reaching the $1,000 threshold to indicate the date the entity qualified as a committee.

An entity may become qualified as a committee at any time regardless of the proximity to the date of an election.

Where to File: Original and one copy with the Secretary of State, and one copy with the City Clerk. The form may be filed in paper format. Committees using third party vendor software to access the City Clerk's electronic filing system may choose to file the City's copy electronically.

## Form 410 Statement of Organization (amendment)

Basic Rule: A primarily formed recipient committees must file an amendment when there is any change to the information contained on its Form 410.

When to File: The Form 410 must be filed within 10 days of any change to the information on the form.

***Example:*** *A committee is formed to support a City candidate in the special election. Several months into its existence, it changes its treasurer. It has ten days to file an amendment to disclose the new treasurer's name.*

Where to File: Original and one copy with the Secretary of State, and one copy with the City Clerk. The form may be filed in paper format. Committees using third party vendor software to access the City Clerk's electronic filing system may choose to file the City's copy electronically.

If, during the 16 days prior to an election in which the committee is required to file pre-election statements, a change occurs in the name of the committee, the treasurer, or other principal officers, an amendment must be filed with the Secretary of State and the City Clerk within 24 hours of the change. The amendment must be sent by fax, electronically, guaranteed overnight delivery, or personal delivery.

## Form 410 Statement of Organization (termination)

Basic Rule: Primarily formed recipient committees file this report as part of terminating the committee.

When to File: A primarily formed committee may terminate at any time, so long as all the following circumstances are present:

- it is no longer receiving contributions or making expenditures;
- it does not anticipate receiving contributions, repayments of outstanding loans, or any other receipts, and does not anticipate making expenditures in the future;
- it has eliminated, or has no intention or ability to discharge, its debts, loans received, and other obligations;
- it has no campaign funds; and,
- it has filed all required campaign statements disclosing all reportable transactions.

Where to File: Original and one copy with the Secretary of State, and one copy with the City Clerk. The form may be filed in paper format.

Committees using third party vendor software to access the City Clerk's electronic filing system may choose to file the City's copy electronically.

## Form 425 Semi-Annual Statement of No Activity

Basic Rule: Primarily formed recipient committees may use this form as a semi-annual statement if they have no financial activity during the reporting period. It is to be used only by recipient committees that have not received any contributions and not made any expenditures during the six-month period covered by a semi-annual statement.

When to File: On a semi-annual basis in lieu of filing the Form 460, but only if the committee had no activity during reporting period.

Where to File: The Form 425 is filed with the City Clerk. The form may be filed in paper format. Committees using third party vendor software to access the City Clerk's electronic filing system may choose to file the City's copy electronically.

## Form 450 Recipient Committee Short Form (semi-annual and pre-election report)

Basic Rule: Primarily formed recipient committees may use this form as a semi-annual or pre-election statement if they have limited financial activity during the reporting period. The Form 450 is for use by a recipient committee if the committee: (1) has not received a contribution that must be itemized (a cumulative amount of $100 or more from a single source); (2) has not received any other payment of $100 or more (miscellaneous increases to cash); (3) has no outstanding loans made or received; and (4) has no accrued expenses (unpaid bills).

When to File: On a semi-annual or pre-election basis in lieu of filing the Form 460, but only if the primarily formed recipient committee had very limited activity during reporting period.

Where to File: The Form 450 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

## Form 460 Recipient Committee Campaign Statement (pre-election report)

Basic Rule: A committee primarily formed to support or oppose a District 4 candidate in the special election must file 3 pre-election reports. If that candidate makes it to the run-off, the committee must also file 2 pre-election reports before the special run-off election.

***Example:*** *A committee is formed to support Brian Griffin for Council District 4 in the March special election. It must file two pre-election Form 460s in the months leading up to the March election (plus a third pre-election report using Form 497; see later discussion regarding the Form 497).*

***Example:*** *Brian Griffin did not win a majority of the votes in the special election, but will appear on the ballot for the special run-off election. The committee primarily formed to support Griffin must file one pre-election report on a Form 460 (and a second pre-election report on a Form 497.)*

When to File: The Form 460 pre-election report must be filed by the applicable deadlines set forth in the following chart:

### *2013 Special Election*

**1st pre-election period (Form 460)**
reporting period: 1/1/13 – 2/9/13
filing deadline: 2/14/13

**2nd pre-election period (Form 460)**
reporting period: 2/10/13 – 3/9/13
filing deadline: 3/14/13

**3rd pre-election period (Form 497)**
reporting period: 3/10/13 – 3/20/13
filing deadline: 3/22/13

### *2013 Special Run-Off Election*

**1st pre-election period (Form 460)**
reporting period: 3/10/13 – 5/4/13
filing deadline: 5/9/13

**2nd pre-election period (Form 497)**
reporting period: 5/5/13 – 5/15/13
filing deadline: 5/17/13

Where to File: The pre-election Form 460 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

## Form 460 Recipient Committee Campaign Statement (semi-annual report)

Basic Rule: Primarily formed recipient committees file semi-annual reports until they terminate.

This form is commonly filed by campaign committees to provide a comprehensively accounting of the committee's activities during the reporting period.

When to File: As a general rule, the semi-annual Form 460 is due no later than July 31, covering the period January 1 through June 30, and no later than January 31, covering the period July 1 through December 31. The reporting period will change, however, if the committee is also filing pre-election reports. The reporting period begins on the day following the last day covered by the previous Form 460.

***Example:*** *A committee supporting candidate Glen Goodwich filed its second pre-election Form 460 covering the period from February 10, 2013, through March 9, 2013. The committee did not have any pre-election filings for the special run-off election. The committee's semi-annual Form 460 will cover the period from March 10, 2013, through June 30, 2013.*

If the committee is filing its first campaign statement, the reporting period begins with January 1 of the current calendar year.

Where to File: The Form 460 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

## Form 460 Recipient Committee Campaign Statement (termination)

Basic Rule: Primarily formed recipient committees file this report as part of terminating the committee. It can be filed along with a Form 410 termination statement.

When to File: When the committee has stopped accepting contributions and making expenditures, and has a zero cash balance.

Where to File: The Form 460 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

## Form 465 Supplemental Independent Expenditure Report

Basic Rule: A primarily formed recipient committee files a Form 465 if it makes independent expenditures totaling $1,000 or more in a calendar year to support or oppose any candidate, including the candidate(s) for which it was primarily formed.

The Form 465 is required to be filed in addition to any other pre-election, semi-annual, or 24-hour independent expenditure report required to be filed.

The filing requirement is not triggered until the primarily formed recipient committee has reached the $1,000 calendar year threshold for a single candidate. For example, spending $900 on an independent expenditure supporting a District 4 candidate through the first pre-election period would not trigger the filing of a Form 465, but spending $100 on an independent expenditure for the same candidate during the second pre-election period would require filing a Form 465 that discloses both sets of independent expenditures.

The "period covered" begins the day after the closing date of the most recent Form 465 filed related to the candidate supported or opposed. If no previous Form 465 has been filed, the reporting period begins on January 1 of the current calendar year.

If a communication lists more than one candidate, the Form 465 is filed only if $1,000 or more was expended on each candidate featured. A separate Form 465 must be filed for each candidate supported or opposed.

When to File: The 465 is filed at the same time that the candidate supported or opposed by the independent expenditure files a Form 460.

***Example:*** *Primarily formed recipient committee Patriots for Palmer for Council District 4 in 2013 makes a $1,200 independent expenditure during the special election's first pre-election period. The committee will file a Form 465 by February 14, 2013, the first pre-election filing deadline (the same deadline applicable to Candidate Palmer's first pre-election Form 460).*

If the independent expenditure is made during the 16 days prior to the election, the committee will file the Form 465 by the applicable candidate's next Form 460 deadline.

Where to File: City Clerk. The Form 465 must be filed electronically if the committee is a mandatory electronic filer. Otherwise, the form may be filed in person or through the mail (post-marked on or before the deadline).

## Form 496 Independent Expenditure Report (90 Day)

Basic Rule: A primarily formed recipient committee files a Form 496 if it makes independent expenditures cumulatively totaling $1,000 or more to support or oppose a single candidate during the 90 days prior to the election.

The Form 496 is filed in addition to any required pre-election or semi-annual campaign statements. Independent expenditures also must be disclosed on the committee's next campaign statement (Form 460), and on a Supplemental Independent Expenditure Report (Form 465).

Once the committee has reached the cumulative $1,000 threshold, it will report all independent expenditures made during the 90 day period, including those that were less than $1,000. Subsequent independent expenditures in any amount will trigger additional Form 496 filings.

When to File: Within 24 hours of making independent expenditures cumulatively totaling $1,000 or more to support or oppose a single candidate during the 90 days prior to the election.

An independent expenditure is made when a communication is made, or when a payment is made for the development, production, or dissemination of the communication, whichever is earlier.

**NOTE: The Form 496 must be filed within 24 hours regardless of the day of the week. An independent expenditure made on a Friday, for example, must be reported by Saturday.**

Where to File: City Clerk. The Form 496 must be filed electronically if the committee is a mandatory electronic filer. Otherwise, the form must be filed by fax, guaranteed overnight delivery, or personal delivery. Regular mail may not be used.

## Form 497 Contribution Report (90 Day)

Basic Rule: This report is required when a primarily formed recipient committee receives or makes a contribution of $1,000 or more during the 90 day period prior to the election.

A contribution is made on the date the contribution is mailed, delivered, or otherwise transmitted to a candidate or committee. A contribution is received on the date the committee, or an agent of the committee, obtains possession or control of the check or non-monetary item that constitutes the contribution.

A primarily formed recipient committee must file a Form 497 if it:

- receives contributions aggregating $1,000 or more, from a single source during the 90 days prior to the election; or
- makes contributions aggregating $1,000 or more to another primarily formed recipient committee during the 90 days before the election; or
- makes a contribution or contributions totaling $1,000 or more to a state or county political party committee during the 90 days before a state election.

**NOTE: Primarily formed recipient committees may not make contributions (in any amount) to City of San Diego candidates.**

When to File: The deadlines for filing the Form 497 depend on the type of contribution made, as follows:

*Monetary contributions:* The committee must file the Form 497 within 24 hours of making or receiving a $1,000 monetary contribution.

*Non-monetary contributions:* The committee must file the Form 497 within 24 hours of making a $1,000 non-monetary contribution (and must also notify the recipient of the value of the non-monetary contribution by personal delivery, fax, or guaranteed overnight mail; no particular form is required). It must file the Form 497 within 48 hours of receiving a $1,000 non-monetary contribution.

**NOTE: If the filing deadline for a Form 497 falls on a weekend or official holiday, it is generally extended to the next business day. This extension does not apply, however, when the due date falls on a Saturday, Sunday, or official City holiday immediately prior to an election.**

Where to File: City Clerk. The Form 497 must be filed electronically if the committee is a mandatory electronic filer. Otherwise, the form must be filed by fax, guaranteed overnight delivery, or personal delivery. Regular mail may not be used.

## Form 497 Contribution Report (supplemental pre-election report)

Basic Rule: In addition to filing pre-election reports on the Form 460 (see discussion above), primarily formed recipient committees must file a supplemental pre-election report using the Form 497.

The supplemental pre-election report uses a different form because it requires far less information than the pre-election reports that use the Form 460. For supplemental pre-election filings, the committee is required only to identify previously unreported contributions of $100 or more, i.e., the contributor's name, address, occupation/employer, and the date and amount of the contribution.

Note that filing a supplemental pre-election report does not eliminate the need to file separate Forms 497 within 24 hours of receiving $1,000+ contributions during the 90 days leading up to the election. Once a contribution is disclosed on a 24-hour report, it does not have to be re-disclosed on a supplemental Form 497 pre-election report.

***Example:*** *A committee is formed to support a candidate running for office in the March special election. During the third pre-election period, it collects ten contributions of $100 or more, including one for $1,000. It will report the $1,000 contribution within 24 hours on a Form 497. It will report the other nine contributions on a supplemental pre-election Form 497 by the 3rd pre-election reporting deadline.*

The reporting period for the supplemental pre-election report begins after the closing date for the prior pre-election report (see chart for the pre-election Form 460s) and continues through to the end of the Wednesday before the election.

When to File: The supplemental pre-election report must be filed no later than the Friday before the election. The filing deadline for the special election is March 22, 2013. The filing deadline for the special run-off election is May 17, 2013.

Where to File: The supplemental pre-election report is filed with the City Clerk.

Committees subject to electronic filing requirements must submit the supplemental pre-election report using the City Clerk's electronic filing system. All other committees must have the statement personally delivered or sent with delivery guaranteed by the Monday before the election.

.....

**Electronic Filing**

Every primarily formed recipient committee that has received contributions or made expenditures totaling $10,000 in connection with a City of San Diego election must file its campaign statements using the City Clerk's electronic filing system.

A committee that has reached the $10,000 threshold must continue to file electronically until it has terminated.

Committees that have not reached the $10,000 threshold may file electronically on a voluntary basis.

A committee that has filed a campaign statement electronically is not required to also file that statement in paper format. All of the campaign statements discussed in this Chapter may be filed electronically (except that the Form 410 and 425 may be filed electronically only if using third party vendor software). Contact the City Clerk's Office for additional information regarding its electronic filing system.

**Audits**

The San Diego Municipal Code authorizes the Ethics Commission to audit primarily formed recipient committees. Committees will be randomly selected for audit following each election cycle as follows:

- 75% of committees that raise or spend more than $100,000 will be audited;
- 50% of committees that raise or spend between $10,000 and $99,999 will be audited.

Committees that raise or spend less than $10,000 will not be placed in the pool for the random drawing.

In addition to the random audit drawing, the Ethics Commission may conduct an audit of a committee in connection with an ongoing investigation.

# Chapter 3
# "City" General Purpose Recipient Committees

This chapter focuses on general purpose committees that spend most of their money on City of San Diego elections, including but not limited to the Council District 4 special election and special run-off election. A "City" general purpose committee is one that makes more than 70% of its contributions and expenditures to support or oppose candidates and measures voted on in only the City of San Diego.

**NOTE: When controlled by a candidate, such committees may only exist to support or oppose ballot measures – not candidates.**

This type of committee needn't spend all of its funds on City of San Diego elections. It can also support candidates (unless the committee is candidate-controlled) and measures in other jurisdictions. Substantial payments in other jurisdictions may, however, cause the committee to become a state or county committee. In addition, a committee spending a particular percentage of its money to support or oppose a particular candidate or measure may become a primarily formed recipient committee. See Chapter 1 for more information.

Refer to the rules in Chapter 1 for determining whether a committee is, or is not, a general purpose recipient committee. Committees must recalculate the applicable percentage quarterly at the end of March, June, September, and December. A new committee formed within six months of the District 4 special election or special run-off election and making contributions or expenditures in connection with these elections must calculate the percentage at the end of each month in which it spent $1,000 or more.at least $1,000 supporting candidates and measures.

**Naming Requirements**

The name of a general purpose recipient committee that is sponsored must contain the name of the sponsoring entity.

**Limits and Prohibitions**

The City's campaign laws do not impose on general purpose recipient committees any limits on the sources or amounts of contributions they receive. For example, a general purpose recipient committee may receive a $5,000 contribution from a business entity and use those funds to make an independent expenditure supporting a City candidate.

**NOTE: These committees must be careful when accepting contributions from candidate-controlled committees, which are prohibited under state law from making contributions to other committees for the purpose of making independent expenditures supporting or opposing a candidate.**

City general purpose recipient committees may not make a contribution directly to a City candidate. Nor may they make expenditures at the request, suggestion, or direction of, or in cooperation, consultation, concert or coordination with, a City candidate. Such expenditures would not be considered "independent"; they would instead be treated as unlawful in-kind (non-monetary) contributions to the candidate.

**NOTE: Committees that are membership organizations may coordinate "member communications" with candidates. Contact the Ethics Commission for additional information on this subject.**

**Recordkeeping**

City general purpose recipient committees are required to maintain records associated with all contributions received and all expenditures made by their committees for a period of four years. In particular, committees must maintain the following records:

- for contributions made via check, credit card, or electronic payment, copies of the written instrument, credit card receipt, and/or transaction records, as well as deposit slips;
- for cash contributions, a notation that cash was received, and a legible photocopy of the bank deposit slip showing that the cash contribution was deposited into the campaign contribution checking account;
- if a contribution is something other than money, a description of what was contributed, a reasonable good faith estimate of the monetary value of the contribution, and the basis for the estimate;
- for each check drawn on the campaign checking account, the canceled check, the bank statement showing the payment, the name of the payee of each check, an itemized record of the goods or services for which each check was issued, and legible photocopies or originals of any invoices, bills, or other supporting documents for which funds were disbursed.

In addition, the City of San Diego has more stringent laws than the State of California when it comes to records associated with contributors. In particular, unlike state law, local law requires that City general purpose recipient committees obtain all of the following information <u>before</u> a contribution may be deposited:

- the contributor's full name; and
- the contributor's street address (business addresses are permitted but not post office boxes); and
- the contributor's occupation and employer (if the contributor has given you a total of $100 or more). If a contributor is self-employed, candidates must obtain the name of the business.

This requirement applies to all contributions, whether they are made via cash, check, or credit card.

Although the City's laws do not expressly require that committees obtain contributor information directly from the contributor, the Ethics Commission strongly encourages them to do so to avoid obtaining inaccurate information. If you choose to obtain the required information from other sources (e.g., the host of a fundraiser or a campaign statement filed by another committee), you do so at your own risk. Remember that the failure to disclose accurate contributor information could result in an Ethics Commission fine.

Committee representatives must produce copies of records associated with campaign contributions and expenditures to the Ethics Commission upon request. In addition, if requested, committees must provide the Ethics Commission with written authorization to obtain records pertaining to their campaign bank accounts.

**Filing Official**

The San Diego City Clerk is the primary filling official for this type of committee. Most of the committee's campaign statements will be filed solely with the City Clerk. One exception is the Statement of Organization (Form 410), which is filed with the Secretary of State (and a copy filed with the City Clerk). In addition, if the committee

makes independent expenditures in another jurisdiction, it may have to file reports with the filing official in that jurisdiction.

Every committee that has received $10,000 in contributions or made $10,000 in expenditures in connection with City elections must file all of its campaign statements using the City Clerk's electronic filing system (except for the Form 410, which can be filed either in paper format or electronically if the committee is using third party vendor software to access the system). Documents filed electronically do not need to also be filed in paper format.

**Typical Filings with the City Clerk**

Form 410 – upon qualifying as a committee

Form 410 – amendments to committee information

Form 460 – pre-election activity

Form 460 – semi-annual activity

Form 465 – independent expenditures made

Form 496 – independent expenditures made during the 90 days prior to the election

Form 497 – contributions made during the 90 days prior to the election

***Example:*** *A committee is formed to advance environmental reforms in San Diego. Within ten days of raising $1,000, it files a Form 410 with the Secretary of State (copy with the City Clerk). It files its Forms 460 with the City Clerk on a semi-annual basis while it solicits and accepts additional contributions.*

*Early in 2013, it decides to support an environmental activist running to fill the vacancy in Council District 4. On January 23, it spends $2,000 to distribute door hangers supporting the candidate. Because the independent expenditure was made during the 90 days before the election, the committee will report that expense within 24 hours on a Form 496 filed with the City Clerk. Because it spent $500 or more during a pre-election period supporting a candidate in that election, it must file a Form 460 pre-election report. And because it spent $1,000 or more to support a single candidate, it will also file a Form 465. The Form 460 and Form 465 will be due to the City Clerk by the filing deadline for the first pre-election period. After the election, the committee will continue to file semi-annual reports with the City Clerk until it terminates.*

**Campaign Statements**

The following are the general filing rules applicable to City of San Diego general purpose recipient committees supporting or opposing one or more candidates in the Council District 4 special election or special run-off election.

.....

## Form 410 Statement of Organization (initial)

Basic Rule: An entity must file this form when it qualifies as a committee (by receiving $1,000 in contributions).

The Form 410 is used to identify the committee's name, which must include the name of any entity sponsoring the committee.

When to File: The Form 410 must be filed within 10 days of the committee receiving contributions of $1,000 or more.

The Form 410 may be filed prior to raising $1,000, but must be amended within 10 days of reaching the $1,000 threshold to indicate the date the entity qualified as a committee.

An entity may become qualified as a committee at any time regardless of the proximity to the date of an election.

Where to File: Original and one copy with the Secretary of State, and one copy with the City Clerk. The form may be filed in paper format. Committees using third party vendor software to access the City Clerk's electronic filing system may choose to file the City's copy electronically.

## Form 410 Statement of Organization (amendment)

Basic Rule: A City general purpose recipient committee must file an amendment when there is any change to the information contained on its Form 410.

When to File: The Form 410 must be filed within 10 days of any change to the information on the form.

***Example:*** *The committee Friends of Chollas Lake was not a sponsored committee when it was created, but several months into its existence it received a large contribution from Market Street Construction. The contribution represented 80% of all the contributions the committee received, and resulted in the developer becoming the "sponsor" of the committee. The committee has ten days to amend its Form 410 to indicate that it is sponsored by Market Street Construction.*

Where to File: Original and one copy with the Secretary of State, and one copy with the City Clerk. The form may be filed in paper format. Committees using third party vendor software to access the City Clerk's electronic filing system may choose to file the City's copy electronically.

If, during the 16 days prior to an election, a change occurs in the name of the committee, the treasurer, or other principal officers, an amendment must be filed with the Secretary of State and the City Clerk within 24 hours of the change. The amendment must be sent by fax, online transmission, guaranteed overnight delivery, or personal delivery.

## Form 410 Statement of Organization (termination)

Basic Rule: City general purpose recipient committees file this report as part of terminating the committee.

When to File: A City general purpose recipient committee may terminate at any time, so long as all the following circumstances are present:

- it is no longer receiving contributions or making expenditures;
- it does not anticipate receiving contributions, repayments of outstanding loans, or any other receipts, and does not anticipate making expenditures in the future;
- it has eliminated or has no intention or ability to discharge its debts, loans received, and other obligations;
- it has a zero cash balance; and,
- it has filed all required campaign statements disclosing all reportable transactions.

Where to File: Original and one copy with the Secretary of State, and one copy with the City Clerk. The form may be filed in paper format. Committees using third party vendor software to access the City Clerk's electronic filing system may choose to file the City's copy electronically.

## Form 425 Semi-Annual Statement of No Activity

Basic Rule: City general purpose recipient committees may use this form as a semi-annual statement if they have no financial activity during the reporting period. It is to be used only by recipient committees that have not received any contributions and not made any expenditures during the six-month period covered by a semi-annual statement.

When to File: On a semi-annual basis in lieu of filing the Form 460, but only if the City general purpose recipient committees had no activity during the reporting period.

Where to File: The Form 425 is filed with the City Clerk. The form may be filed in paper format. Committees using third party vendor software to access the City Clerk's electronic filing system may choose to file the City's copy electronically.

## Form 450 Recipient Committee Short Form (semi-annual and pre-election report)

Basic Rule: City general purpose recipient committees may use this form as a semi-annual or pre-election statement if they have limited financial activity during the reporting period. The Form 450 may be used by a recipient committee if the committee: (1) has not received a contribution that must be itemized (a cumulative amount of $100 or more from a single source); (2) has not received any other payment of $100 or more (miscellaneous increases to cash); (3) has no outstanding loans made or received; and (4) has no accrued expenses (unpaid bills).

When to File: On a semi-annual or pre-election basis in lieu of filing the Form 460, but only if the committee had very limited activity during reporting period.

Where to File: The Form 450 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

## Form 460 Recipient Committee Campaign Statement (pre-election report)

Basic Rule: City general purpose committees must file pre-election reports if they make contributions or independent expenditures totaling $500 or more during the period covered by the pre-election statement.

***Example:*** *On February 25, 2013, a City general purpose recipient committee spends $650 on yard signs to oppose a candidate running for office in Council District 4. It must file a Form 460 pre-election report with the City Clerk by March 14, 2013.*

When to File: The Form 460 pre-election reports are filed by the deadlines set forth in the following chart:

## *2013 Special Election*

**1st pre-election period**
reporting period: 1/1/13 – 2/9/13
filing deadline: 2/14/13

**2nd pre-election period**
reporting period: 2/10/13 – 3/9/13
filing deadline: 3/14/13

## *2013 Special Run-Off Election*

**1st pre-election period**
reporting period: 3/10/13 – 5/4/13
filing deadline: 5/9/13

Where to File: The Form 460 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

### Form 460 Recipient Committee Campaign Statement (semi-annual report)

Basic Rule: City general purpose recipient committees file semi-annual reports until they terminate.

When to File: As a general rule, the semi-annual Form 460 is due no later than July 31, covering the period January 1 through June 30, and no later than January 31, covering the period July 1 through December 31. The period covered will change, however, if the committee is also filing pre-election reports. The reporting period begins on the day following the last day covered by the previous Form 460.

***Example:*** *A City general purpose recipient committee participated in the special election and filed its pre-election Form 460 covering the period from February 10, 2013, through March 9, 2013. It spent no additional funds supporting or opposing District 4 candidates. The committee's semi-annual Form 460 will cover the period from March 10, 2013, through June 30, 2013, and will be due by July 31, 2013.*

If the committee is filing its first campaign statement (Form 460), the reporting period begins with January 1 of the current calendar year.

Where to File: The Form 460 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

### Form 460 Recipient Committee Campaign Statement (termination)

Basic Rule: City general purpose recipient committees file this report as part of terminating the committee (along with a Form 410 termination statement).

When to File: When the committee has stopped accepting contributions and making expenditures, and has a zero cash balance.

Where to File: The Form 460 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

## Form 465 Supplemental Independent Expenditure Report

Basic Rule: A City general purpose recipient committee files a Form 465 if it makes independent expenditures totaling $1,000 or more in a calendar year to support or oppose a single candidate.

The Form 465 is required to be filed in addition to any other pre-election, semi-annual, or 24-hour independent expenditure report required to be filed.

The filing requirement is not triggered until the committee has reached the $1,000 calendar year threshold for a single candidate. For example, spending $900 on an independent expenditure supporting a District 4 candidate through the first pre-election period would not trigger the filing of a Form 465, but spending $100 on an independent expenditure for the same candidate during the second pre-election period would require filing a Form 465 that discloses both sets of independent expenditures.

The "period covered" begins the day after the closing date of the most recent Form 465 filed related to the candidate supported or opposed. If no previous Form 465 has been filed, the reporting period begins on January 1 of the current calendar year.

If a communication lists more than one candidate, the Form 465 is filed only if $1,000 or more was expended on each candidate featured. A separate Form 465 must be filed for each candidate supported or opposed.

When to File: The 465 is filed at the same time that the candidate supported or opposed by the independent expenditure files a Form 460.

***Example:*** *Olive Dunham is running to fill the District 4 vacancy in the March 2013 special election. San Diego Coastal Club, a City of San Diego general purpose recipient committee, decides to support Dunham's efforts by spending $2,000 for a billboard advertisement during the second pre-election period. The committee will file a Form 465 by the second pre-election filing deadline.*

If the independent expenditure is made during the 16 days prior to the election, the committee will file the Form 465 by the applicable candidate's next Form 460 deadline.

Where to File: The Form 465 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

## Form 496 Independent Expenditure Report (90 Days)

Basic Rule: A City general purpose recipient committee files a Form 496 if it makes independent expenditures cumulatively totaling $1,000 or more to support or oppose a single candidate during the 90 days prior to the election.

The Form 496 is filed in addition to any required pre-election or semi-annual campaign statements. Independent expenditures also must be disclosed on the committee's next campaign statement (Form 460), and on the Supplemental Independent Expenditure Report (Form 465).

Once the committee has reached the cumulative $1,000 threshold, it will report all independent expenditures made during the 90 day period, including those that were less than $1,000. Subsequent independent expenditures in any amount will trigger additional Form 496 filings.

When to File: Within 24 hours of making independent expenditures cumulatively totaling $1,000 or more to support or oppose a single candidate during the 90 days prior to the election.

An independent expenditure is made when a communication is made, or when a payment is made for the development, production, or dissemination of the communication, whichever is earlier.

**NOTE: The Form 496 must be filed within 24 hours regardless of the day of the week. An independent expenditure made on a Friday, for example, must be reported by Saturday.**

Where to File: City Clerk. The Form 496 must be filed electronically if the committee is a mandatory electronic filer. Otherwise, the form must be filed by fax, guaranteed overnight delivery, or personal delivery. Regular mail may not be used.

## Form 497 Contribution Report (90 Days)

Basic Rule: A City of San Diego general purpose recipient committee must file a Form 497 if, during the 90 days before an election, it makes a contribution of $1,000 or more, or multiple contributions aggregating $1,000 or more, to a political party or to a committee primarily formed to support or oppose a District 4 candidate.

A contribution is made on the date the contribution is mailed, delivered, or otherwise transmitted to a candidate or committee.

**NOTE: City general purpose recipient committees may not make contributions (in any amount) to City of San Diego candidates.**

Contributions made to another general purpose recipient committee do not trigger the filing of a Form 497 unless the other general purpose recipient committee is a political party.

A contribution received by a City general purpose recipient committee during the 90 days prior to an election does not trigger the filing of a Form 497.

When to File: The filing must take place within 24 hours of making the contribution.

If it is a non-monetary contribution, the committee must also notify the recipient of the value of the contribution within 24 hours (no particular form must be used).

**NOTE: If the filing deadline for a Form 497 falls on a weekend or official holiday, it is generally extended to the next business day. This extension does not apply, however, when the due date falls on a Saturday, Sunday, or official City holiday immediately prior to an election.**

Where to File: City Clerk. The Form 497 must be filed electronically if the committee is a mandatory electronic filer. Otherwise, the form must be filed by fax, guaranteed overnight delivery, or personal delivery. Regular mail may not be used.

**Electronic Filing**

Every City general purpose recipient committee that has received contributions or made expenditures totaling $10,000 in connection with a City of San Diego election must file its campaign statements using the City Clerk's electronic filing system.

A committee that has reached the $10,000 threshold must continue to file electronically until it has terminated.

Committees that have not reached the $10,000 threshold may file electronically on a voluntary basis.

A committee that has filed a campaign statement electronically is not required to also file that statement in paper format.

All of the campaign statements discussed in this Chapter may be filed electronically (except that the Form 410 and 425 may be filed electronically only if using third party vendor software). Contact the City Clerk's Office for additional information regarding its electronic filing system.

# Chapter 4
# State and County General Purpose Recipient Committees

This chapter focuses on general purpose recipient committees that spend most of their money in a jurisdiction other than the City of San Diego, but will participate to some extent in the Council District 4 special elections.

Because these committees file most of their campaign statements with filing officers in other jurisdictions (the Form 460 in particular), this chapter is not intended to provide comprehensive guidance regarding their overall filing obligations. Instead, it focuses on the rules and filing guidelines related to their participation in the District 4 special elections.

A state general purpose recipient committee is a committee that makes contributions or expenditures to support or oppose candidates or measures voted on in state elections (including making contributions to other state general purpose committees) and does not meet the criteria for being a city or county general purpose committee. All political party committees are state general purpose recipient committees.

A county general purpose recipient committee is a committee that makes contributions or expenditures to support or oppose candidates or measures voted on in only one county, or in more than one jurisdiction within one county, including contributions to county general purpose committees in the same county, that collectively total more than 70 percent of the contributions and expenditures made by the committee.

**NOTE: The rules in this chapter also apply to a city general purpose recipient committee in situations where the "city" is not the City of San Diego. Because such committees do not typically participate in City of San Diego elections, this chapter will discuss the applicable rules only in the context of state and county committees.**

Refer to the rules in Chapter 1 for determining whether a committee is, or is not, a general purpose recipient committee. Keep in mind that each committee must recalculate the applicable percentage quarterly at the end of March, June, September, and December. A new committee formed within six months of the District 4 special election or special run-off election and making contributions or expenditures in connection with these elections must calculate the percentage at the end of each month in which it spent $1,000 or more.

**Limits and Prohibitions**

The City's campaign laws do not impose on general purpose recipient committees any limits on the sources or amounts of contributions they receive. For example, a general purpose recipient committee may receive a $5,000 contribution from a business entity and use those funds to make an independent expenditure supporting a City candidate.

General purpose recipient committees (other than political party committees) may not make a contribution directly to a City candidate. General purpose recipient committees (other than political party committees) may not make expenditures at the request, suggestion, or direction of, or in cooperation, consultation, concert or coordination with, a City candidate. Such

expenditures would not be considered "independent"; they would instead be treated as an unlawful in-kind (non-monetary) contribution to the candidate.

**NOTE: Committees that are membership organizations may coordinate "member communications" with candidates. Contact the Ethics Commission for additional information on this subject.**

**Filing Official**

The San Diego City Clerk is not the primary filling official for this type of committee. Instead, these committees file most of their campaign statements with filing officers in their respective jurisdictions. Nevertheless, as indicated above, general purpose recipient committees must file some campaign statements with the City Clerk when participating in City of San Diego elections. In particular, they are required to file a Form 465 with the City Clerk if they spend $1,000 or more to support or oppose a City of San Diego candidate. They are also required to file a Form 496 with the City Clerk if they spend $1,000 or more to support or oppose a City of San Diego candidate during the 90 days immediately preceding the election.

**Typical Filings with the City Clerk**

Form 465 – independent expenditures made

Form 496 – independent expenditures made during the 90 days prior to the election

***Example:*** *A County of San Diego general purpose committee decides to support a candidate running for office in the Council District 4 special election. On February 15, 2013, it spends $4,000 to distribute mailers supporting the candidate. In addition to any other forms it must file outside of the City of San Diego, this committee will file with the City Clerk a Form 496 within 24 hours of distributing the mailers, as well as a Form 465 no later than the next pre-election period filing deadline (March 14, 2013).*

**Campaign Statements**

The following are the general filing rules applicable to state and county general purpose recipient committees when supporting or opposing one or more candidates in the Council District 4 special election or special run-off election.

## Form 465 Supplemental Independent Expenditure Report

Basic Rule: The Form 465 is filed if a state or county general purpose recipient committee makes independent expenditures totaling $1,000 or more in a calendar year to support or oppose a single City candidate.

The Form 465 is required to be filed in addition to any other semi-annual or 24-hour independent expenditure report required to be filed.

The filing requirement is not triggered until the committee has reached the $1,000 calendar year threshold for a single candidate. For example, spending $900 on an independent expenditure supporting a District 4 candidate through the first pre-election period would not trigger the filing of a Form 465, but spending $100 on an independent expenditure for the same candidate during the second pre-election period would require filing a Form 465 that discloses both sets of independent expenditures.

The "period covered" begins the day after the closing date of the most recent Form 465 filed related to the candidate or measure supported or opposed. If no previous Form 465 has been filed, the reporting period begins on January 1 of the current calendar year.

If a communication lists more than one candidate, the Form 465 is filed only if $1,000 or more was expended on each candidate featured. A separate Form 465 must be filed for each candidate supported or opposed.

When to File: The 465 is filed at the same time that the candidate supported or opposed by the independent expenditure files a Form 460.

***Example:*** *Peter Cardinal is running to fill the District 4 vacancy in the March 2013 special election. Citizens for Responsible Representation, a County of San Diego general purpose recipient committee, decides to support Cardinal's efforts by paying $3,000 for a phone bank during the first pre-election period. The committee will file a Form 465 by the first pre-election filing deadline.*

If the independent expenditure is made during the 16 days prior to the election, the committee will file the Form 465 by the applicable candidate's next Form 460 deadline.

Where to File: The Form 465 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

## Form 496 Independent Expenditure Report (90 day)

Basic Rule: A general purpose recipient committee files a Form 496 if it makes independent expenditures cumulatively totaling $1,000 or more to support or oppose a single City of San Diego candidate during the 90 days prior to the election.

Once the committee has reached the cumulative $1,000 threshold, it will report all independent expenditures made during the 90 day period, including those that were less than $1,000. Subsequent independent expenditures in any amount will trigger additional Form 496 filings.

When to File: Within 24 hours of making independent expenditures cumulatively totaling $1,000 or more to support or oppose a single candidate during the 90 days prior to the election.

An independent expenditure is made when a communication is made, or when a payment is made for the development, production, or dissemination of the communication, whichever is earlier.

**NOTE: The Form 496 must be filed within 24 hours regardless of the day of the week. An independent expenditure made on a Friday, for example, must be reported by Saturday.**

Where to File: City Clerk. The Form 496 must be filed electronically if the committee is a mandatory electronic filer. Otherwise, the form must be filed by fax, guaranteed overnight delivery, or personal delivery. Regular mail may not be used.

**Electronic Filing**

Every state and county general purpose recipient committee that has made expenditures totaling $10,000 in connection with one or more City of San Diego elections is required to use the City Clerk's electronic filing system when disclosing independent expenditures made to support or oppose City candidates.

A committee that has reached the $10,000 threshold must continue to file electronically until it has terminated.

Committees that have not reached the $10,000 threshold may file electronically on a voluntary basis.

A committee that has filed a campaign statement electronically is not required to also file that statement in paper format.

Contact the City Clerk's Office for additional information regarding its electronic filing system.

# Chapter 5
# "City" Independent Expenditure Committees

This chapter focuses on independent expenditure committees that spend most of their money supporting or opposing City of San Diego candidates and/or ballot measures, and in particular will be participating in the 2013 Council District 4 special election or special run-off election.

A City independent expenditure committee is an individual or entity that (a) uses its own funds to make contributions or expenditures to support or oppose candidates or measures voted on only in the City of San Diego that total more than 70 percent of the contributions and expenditures made by the committee during the calendar year; and (b) is not a state independent expenditure committee.

If an independent expenditure committee makes <u>any amount</u> of contributions or expenditures on state candidates or measures, it is a state independent expenditure committee.

An individual or entity will become an independent expenditure committee if it makes independent expenditures totaling $1,000 or more in a calendar year. Independent expenditure committees spend their own money; they do not solicit or accept payments from others that they use for political purposes. As a result, they are subject to rules that are different from those that apply to the recipient committees discussed in Chapters 2 through 4 of this manual.

Although independent expenditure committees typically focus on making independent expenditures to support or oppose a candidate or ballot measure, they may also make contributions (except that only individuals and political parties may make contributions to City of San Diego candidates). Note that if a committee makes contributions totaling $10,000 or more in a calendar year, it may be considered a major donor committee. Contact the FPPC for assistance with major donor committee filing obligations.

Refer to the rules in Chapter 1 for determining whether a committee is, or is not, a City independent expenditure committee. Keep in mind that if a City committee spends significant sums on county races or on races in other cities or jurisdictions in the county, it may become a county independent expenditure committee. As mentioned above, if it spends any amount of money on state races, it will become a state independent expenditure committee.

A City independent expenditure committee must recalculate the applicable percentage quarterly at the end of March, June, September, and December, unless it spent less than $5,000 to support or oppose candidates and measures in that quarter. Independent expenditure committees are required to consider only the contributions and expenditures made during the calendar year.

**NOTE: Independent expenditure committees terminate automatically at the end of each calendar year. Activity from one calendar year does not trigger filing in another calendar year.**

**Limits and Prohibitions**

Independent expenditure committees do not accept payments from others that they use for political purposes. If a committee accepts payments totaling $1,000 or more, it is no longer an independent expenditure

committee and must thereafter file campaign statements as a recipient committee.

As indicated above, independent expenditure committees may not make contributions to a City candidate. Nor may they make expenditures at the request, suggestion, or direction of, or in cooperation, consultation, concert or coordination with, a City candidate. Such expenditures would not be considered "independent"; they would instead be treated as an unlawful in-kind (non-monetary) contribution to the candidate.

**Filing Official**

The San Diego City Clerk is the primary filling official for this type of committee. Most of the committee's campaign statements will be filed solely with the City Clerk. If, however, the committee makes independent expenditures in another jurisdiction, it may have to file reports with the filing official in that jurisdiction.

**Typical Filings with the City Clerk**

Form 461 – pre-election activity

Form 461 – semi-annual activity

Form 465 – independent expenditures made

Form 496 – independent expenditures made during the 90 days prior to the election

**Campaign Statements**

The following are general filing rules applicable to City of San Diego independent expenditure committees supporting or opposing one or more candidates in the Council District 4 special election or special run-off election.

## Form 461 Independent Expenditure Committee Campaign Statement (pre-election report)

<u>Basic Rule:</u> City independent expenditure committees must file a pre-election statement if they make independent expenditures or contributions that total $500 or more during a pre-election period.

***Example:*** *On February 3, 2013, Skyline Cellular spends $1,600 to print and distribute door hangers supporting Bruce Leigh, a candidate on the March 2013 ballot. Skyline Cellular will report the $1,600 expenditure on a pre-election Form 461 filed before February 14, 2013, the filing deadline for the first pre-election period. (Skyline Cellular will also file a Form 465 by the same date; see next section for more information.)*

If the pre-election statement is the committee's first Form 461, the reporting period begins January 1. Otherwise, this date should be the day after the closing date of the most recently filed Form 461.

Filing a pre-election report does not eliminate the requirement that a committee also file a semi-annual Form 461, even if the committee makes no contributions or expenditures following the pre-election period.

When to File: The Form 461 pre-election reports are filed by the deadlines set forth in the following chart:

### *2013 Special Election*

**1st pre-election period**
reporting period: 1/1/13 – 2/9/13
filing deadline: 2/14/13

**2nd pre-election period**
reporting period: 2/10/13 – 3/9/13
filing deadline: 3/14/13

### *2013 Special Run-Off Election*

**1st pre-election period**
reporting period: 3/10/13 – 5/4/13
filing deadline: 5/9/13

Where to File: The Form 461 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

**NOTE: If a City of San Diego independent expenditure committee qualifies as another type of committee later in the calendar year (e.g., it becomes a County committee), it must continue to file copies of the Form 461 with the City Clerk until the end of the calendar year.**

.....

## Form 461 Independent Expenditure Committee Campaign Statement (semi-annual report)

Basic Rule: City independent expenditure committees file the Form 461 to report contributions and independent expenditures made during the semi-annual period.

The Form 461 filing requirement is not triggered until the committee has reached the $1,000 threshold in a calendar year. For example, spending a total of $900 on independent expenditures supporting City candidates before the March 2013 special election would not require the filing of a Form 461, but spending another $100 in April before the special run-off election would require the filing of a Form 461 covering all independent expenditures made during the year.

When to File: If an entity qualifies as an independent expenditure committee (reaches $1,000 threshold) during the first six months of the year, the Form 461 is due no later than July 31, covering the period January 1 through June 30.

***Example:*** *In January of 2013, Jack Thompson spends $450 to distribute flyers in his neighborhood to support District 4 candidate David Harrow in the March special election. Three days before the special election, Thompson spends $300 to distribute door hangers supporting Harrow. In April, Thompson spends $400 on flyers supporting Harrow in the special run-off election. Mr. Thompson will report these expenditures on a Form 461 filed by July 31, 2012. (Note that because Thompson did not spend $500 or more during any one pre-election period, he does not need to file pre-election statements; see previous section for information regarding pre-election statements.)*

Where to File: The Form 461 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

## Form 465 Supplemental Independent Expenditure Report

Basic Rule: A City independent expenditure committee files a Form 465 if it makes independent expenditures totaling $1,000 or more in a calendar year to support or oppose a single candidate or a single measure.

The Form 465 is required to be filed in addition to any other pre-election, semi-annual, or 24-hour independent expenditure report required to be filed.

The filing requirement is not triggered until the committee has reached the $1,000 calendar year threshold for a single candidate or measure. For example, spending $900 on an independent expenditure supporting a candidate through the first pre-election period would not trigger the filing of a Form 465, but spending $100 on an independent expenditure for the same candidate during the second pre-election period would require filing a Form 465 that discloses both independent expenditures.

The "period covered" begins the day after the closing date of the most recent Form 465 filed related to the candidate or ballot measure supported or opposed. If no previous Form 465 has been filed, the reporting period begins on January 1 of the current calendar year.

If a communication lists more than one candidate, the Form 465 is filed only if $1,000 or more was expended on each candidate featured. A separate Form 465 must be filed for each candidate supported or opposed.

When to File: The 465 is filed at the same time that the candidate supported or opposed by the independent expenditure files a Form 460.

***Example:*** *Fred Murtz is running to fill the District 4 vacancy in the March 2013 special election. Imperial Realty decides to support Murtz's campaign by paying $2,000 to have a plane fly a "Vote for Murtz" banner over the district. Imperial Realty makes this independent expenditure during the second pre-election period. Imperial Realty will report the payment on a Form 465 (and on a Form 461) filed by March 14, 2013, the second pre-election filing deadline. Note that Imperial Realty will also file a Form 496 within 24 hours of making the independent expenditure – see next section.*

If the independent expenditure is made during the 16 days prior to the election, the committee will file the Form 465 by the applicable candidate's next Form 460 deadline.

Where to File: The Form 465 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

## Form 496 Independent Expenditure Report (90 days)

Basic Rule: A City independent expenditure committees files a Form 496 if it makes independent expenditures cumulatively totaling $1,000 or more to support or oppose a single City of San Diego candidate during the 90 days prior to the election.

An independent expenditure is made when a communication is made, or when a payment is made in connection with the development, production, or dissemination of the communication, whichever is earlier.

***Example:*** *A month before the March special election, Millennium Manufacturing makes a $1,200 independent expenditure to distribute a mass mailing supporting a District 4 candidate. Millennium Manufacturing must file a Form 496 with the City Clerk within 24 hours of making the independent expenditure (and will also file Forms 461 and 465, as discussed above).*

The Form 496 is filed in addition to any required pre-election or semi-annual campaign statements. Independent expenditures must also be disclosed on the committee's next campaign statement (Form 461), and on the Supplemental Independent Expenditure Report (Form 465).

Once the committee has reached the cumulative $1,000 threshold, it will report all independent expenditures made during the 90 day period, including those that were less than $1,000. Subsequent independent expenditures in any amount will trigger additional Form 496 filings.

When to File: Within 24 hours of making independent expenditures cumulatively totaling $1,000 or more to support or oppose a single candidate during the 90 days prior to the election.

**NOTE: The Form 496 must be filed within 24 hours regardless of the day of the week. An independent expenditure made on a Friday, for example, must be reported by Saturday.**

Where to File: City Clerk. The Form 496 must be filed electronically if the committee is a mandatory electronic filer. Otherwise, the form must be filed by fax, guaranteed overnight delivery, or personal delivery. Regular mail may not be used.

## Form 497 Contribution Report (90 days)

Basic Rule: This report is required when a City independent expenditure committee makes contributions cumulatively totaling $1,000 during the 90 days prior to the election.

An independent expenditure committee must file a Form 497 if it makes contributions aggregating $1,000 or more to a primarily formed recipient committee during the 90 days before the election on which the applicable candidate is on the ballot.

***Example:*** *Encanto Electric became an independent expenditure committee when it spent $2,500 on a billboard urging support for candidate Frank Wilson in the March special election. Two weeks before the election, a primarily formed recipient committee supporting Wilson asks Encanto Electric to help offset the costs it incurred sending campaign mailers*

*supporting Wilson. Encanto Electric agrees to the request and makes a $1,600 payment to the committee. Encanto Electric will file a Form 497 with the City Clerk within 24 hours of making the payment, stating that it made a $1,600 contribution to the recipient committee.*

**NOTE: Only an independent expenditure committee that is an individual may make contributions (up to $500 per election) to District 4 candidates.**

These contributions must also be disclosed on the committee's next campaign statement (Form 461).

If the contribution is non-monetary, the committee must also notify the recipient of the value of the contribution within 24 hours (no particular form must be used).

If a contribution is made to a City primarily formed recipient committee during the 90 days prior to the election, the recipient committee must file its own Form 497 (within 24 hours if it is a monetary contribution and within 48 hours if it is a non-monetary contribution) with the City Clerk to report its receipt of the contribution from the independent expenditure committee.

When to File: Within 24 hours of making a $1,000 contribution.

A contribution is made on the date the contribution is mailed, delivered, or otherwise transmitted to a candidate or committee.

**NOTE: If the filing deadline for a Form 497 falls on a weekend or official holiday, it is generally extended to the next business day. This extension does not apply, however, when the due date falls on a Saturday, Sunday, or official City holiday immediately prior to an election.**

Where to File: City Clerk. The Form 496 must be filed electronically if the committee is a mandatory electronic filer. Otherwise, the form must be filed by fax, guaranteed overnight delivery, or personal delivery. Regular mail may not be used.

**Electronic Filing**

Every City independent expenditure committee that has made expenditures totaling $10,000 in connection with one or more City of San Diego elections is required to use the City Clerk's electronic filing system when disclosing independent expenditures made to support or oppose City candidates.

A committee that has reached the $10,000 threshold must continue to file electronically until it has terminated.

Committees that have not reached the $10,000 threshold may file electronically on a voluntary basis.

A committee that has filed a campaign statement electronically is not required to also file that statement in paper format.

Contact the City Clerk's Office for additional information regarding its electronic filing system.

# Chapter 6
# State & County Independent Expenditure Committees

This chapter focuses on independent expenditure committees that make most of their political expenditures outside the City of San Diego, but will participate to some extent in the Council District 4 special election or special run-off election.

Because these committees file most of their campaign statements with filing officers in other jurisdictions (the Form 461 in particular), this chapter is not intended to provide comprehensive guidance regarding their overall filing obligations. Instead, it focuses on the rules and filing guidelines directly related to their participation in the 2013 special elections.

A state independent expenditure committee is a committee that makes any amount of contributions or expenditures to support or oppose candidates or measures voted on in state elections (including making contributions to other state committees).

A county independent expenditure committee is a committee that (a) uses its own funds to make contributions or expenditures to support or oppose candidates or measures voted on in only one county, or in more than one jurisdiction within one county, that total more than 70 percent of the contributions and expenditures made by the committee during the calendar year; and (b) is not a state independent expenditure committee.

An individual or entity will become an independent expenditure committee if it makes independent expenditures totaling $1,000 or more in a calendar year. Independent expenditure committees spend their own money; they do not solicit or accept political contributions from others, and thus they are subject to rules that are different from those that apply to the recipient committees discussed in Chapters 2 through 4 of this manual.

Although independent expenditure committees typically focus on making independent expenditures to support or oppose a candidate or ballot measure, they may also make contributions (except that only individuals and political parties may make contributions to City of San Diego candidates). Note that if a committee makes contributions totaling $10,000 or more in a calendar year, it may be considered a major donor committee. Contact the FPPC for assistance with major donor committee filing obligations.

**NOTE: The rules in this chapter also apply to a city independent expenditure committee in situations where the "city" is not the City of San Diego. Because such committees do not typically participate in City of San Diego elections, this chapter will discuss the applicable rules only in the context of state and county committees.**

Refer to the rules in Chapter 1 for determining whether a committee is, or is not, a state or county independent expenditure committee. Keep in mind that if a state or county committee spends significant sums on races in other jurisdictions, its committee type may change (e.g., a county committee could become a city committee). A state or county independent expenditure committee must recalculate the applicable percentage quarterly at the end of March, June, September, and December, unless it spent less than $5,000 to support or oppose candidates and measures in that quarter. Independent expenditure committees are

required to consider only the contributions and expenditures made during the calendar year.

**NOTE: Independent expenditure committees terminate automatically at the end of each calendar year. Activity from one calendar year does not trigger filing in another calendar year.**

**Limits and Prohibitions**

Independent expenditure committees do not accept payments from others that they use for political purposes. If a committee accepts payments totaling $1,000 or more, it is no longer an independent expenditure committee and must thereafter file campaign statements as a recipient committee.

As indicated above, independent expenditure committees may not make contributions to a City candidate. Nor may they make expenditures at the request, suggestion, or direction of, or in cooperation, consultation, concert or coordination with, a City candidate. Such expenditures would not be considered "independent"; they would instead be treated as an unlawful in-kind (non-monetary) contribution to the candidate.

**Filing Official**

The San Diego City Clerk is not the primary filling official for this type of committee. Instead, these committees file most of their campaign statements with filing officers in their respective jurisdictions. Nevertheless, state and county independent expenditure committees must file some campaign statements with the City Clerk when participating in City of San Diego elections. In particular, they will be required to file a Form 465 with the City Clerk if they spend $1,000 or more to support or oppose a candidate in the Council District 4 special election or special run-off election. They are also required to file a Form 496 with the City Clerk if they spend $1,000 or more to support or oppose such candidates during the 90 days immediately preceding either election.

**Typical Filings with the City Clerk**

Form 465 – independent expenditures made

Form 496 – independent expenditures made during the 90 days prior to the election

**Campaign Statements**

The following are general filing rules applicable to state and county independent expenditure committees supporting or opposing one or more candidates in the Council District 4 special election or special run-off election.

## Form 465 Supplemental Independent Expenditure Report

Basic Rule: State and county independent expenditure committees file a Form 465 if they make independent expenditures totaling $1,000 or more in a calendar year to support or oppose a single City candidate or a single City measure.

The filing requirement is not triggered until the independent expenditure committee has reached the $1,000 threshold in a calendar year for a single candidate or measure. For example, spending $900 on an independent expenditure supporting a candidate through the first pre-election period would not trigger the filing of a Form 465, but spending $100 on an independent expenditure for the same candidate during the second pre-election period would

require filing a Form 465 that discloses both sets of independent expenditures.

The "period covered" begins the day after the closing date of the most recent Form 465 filed related to the candidate or ballot measure supported or opposed. If no previous Form 465 has been filed, the reporting period begins on January 1 of the current calendar year.

If a communication lists more than one candidate, the Form 465 is filed only if $1,000 or more was expended on each candidate featured. A separate Form 465 must be filed for each candidate supported or opposed.

When to File: The 465 is filed at the same time that the candidate supported or opposed by the independent expenditure files a Form 460.

***Example: Example:*** *Ethel Murtz is running for office in the District 4 special election being held in March of 2013. California Construction opposes Murtz by paying $1,500 for door hangers criticizing Murtz's qualifications. It makes this independent expenditure during the second pre-election period. California Construction will report the payment on a Form 465 filed by March 14, 2013, the second pre-election filing deadline. Note that the committee will also file a Form 496 within 24 hours – see next section.*

If the independent expenditure is made during the 16 days prior to the election, the committee will file the Form 465 by the applicable candidate's next Form 460 deadline.

Where to File: The Form 465 must be filed with the City Clerk's electronic filing system if the committee is a mandatory electronic filer. Otherwise, the form may be filed with the City Clerk's Office in person or through the mail (post-marked on or before the deadline).

## Form 496 Independent Expenditure Report (90 days)

Basic Rule: An independent expenditure committee files a Form 496 if it makes independent expenditures cumulatively totaling $1,000 or more to support or oppose a City of San Diego candidate during the 90 days prior to the election.

An independent expenditure is made when a communication is made, or when a payment is made in connection with the development, production, or dissemination of the communication, whichever is earlier.

Independent expenditures made during the 90 day period must also be disclosed on the committee's next campaign statement (Form 461, filed with the committee's primary filing officer), and on the Supplemental Independent Expenditure Report (Form 465, filed with the City Clerk).

***Example:*** *A month before the March special election, California Solar, a state independent expenditure committee, makes a $3,500 independent expenditure to post two billboards in District 4 in support of a candidate running in the special election. California Solar must file a Form 496 with the City Clerk within 24 hours of making the independent expenditure. (In addition, it will file a Form 465 with the City Clerk, as discussed above, and will also report the independent expenditure on a Form 461 filed with the state.)*

Once the committee has reached the cumulative $1,000 threshold, it will report all independent expenditures made during the 90 day period, including those that were less than $1,000. Subsequent independent expenditures in any amount will trigger additional Form 496 filings.

When to File: Within 24 hours of making independent expenditures that cumulatively total $1,000 or more to support or oppose a single City of San Diego candidate during the 90 days prior to the election.

**NOTE: The Form 496 must be filed within 24 hours regardless of the day of the week. An independent expenditure made on a Friday, for example, must be reported by Saturday.**

Where to File: City Clerk. The Form 496 must be filed electronically if the committee is a mandatory electronic filer. Otherwise, the form must be filed by fax, guaranteed overnight delivery, or personal delivery. Regular mail may not be used.

**Electronic Filing**

Every state and county independent expenditure committee that has made expenditures totaling $10,000 in connection with one or more City of San Diego elections is required to use the City Clerk's electronic filing system when disclosing independent expenditures made to support or oppose City candidates.

A committee that has reached the $10,000 threshold must continue to file electronically until it has terminated.

Committees that have not reached the $10,000 threshold may file electronically on a voluntary basis.

A committee that has filed a campaign statement electronically is not required to also file that statement in paper format.

Contact the City Clerk's Office for additional information regarding its electronic filing system.

# Chapter 7
# Making Independent Expenditures in the City of San Diego

Under the City's campaign laws, the committees discussed in this manual are not permitted to make contributions to City candidates (except for political party committees). Therefore, as a general rule, primarily formed recipient committees, general purpose recipient committees, and independent expenditure committees may not make monetary contributions to a City candidate, may not provide non-monetary contributions to a City candidate, and may not make any kind of payment to anyone else at the behest of a City candidate.

Instead of making contributions, the committees discussed in this manual will typically make independent expenditures to advocate for or against City candidates. This chapter provides guidance with respect to what is, and what is not, an independent expenditure in a City of San Diego candidate election.

**At the Behest**

An independent expenditure is a payment for a communication that expressly advocates the election or defeat of a clearly identified candidate when the communication is not coordinated with or made "at the behest" of the affected candidate or committee.

A communication is "made at the behest of" a candidate when it is made:

- ✓ under the control of the candidate or candidate's agent;
- ✓ at the direction of the candidate or candidate's agent;
- ✓ in cooperation with the candidate or candidate's agent;
- ✓ in consultation with the candidate or candidate's agent;
- ✓ in coordination with the candidate or candidate's agent;
- ✓ in concert with the candidate or candidate's agent;
- ✓ at the request or suggestion of the candidate or candidate's agent; or
- ✓ with the express prior consent of the candidate or candidate's agent.

A committee is making a payment "at the behest" of a candidate if the candidate or candidate's agent discusses with the committee any decisions regarding a communication's:

- ✓ content;
- ✓ timing;
- ✓ location;
- ✓ mode;
- ✓ intended audience;
- ✓ volume of distribution; or
- ✓ frequency of placement.

A payment made at the behest of a candidate is not "independent" of the candidate, and is therefore not considered an "independent expenditure." It is instead considered a contribution to the candidate. As stated above, the committees discussed in this manual (other than political party committees) are not permitted to make contributions to City candidates.

***Example:*** *Grace McGuffin is running for office in Council District 4 and mentions to friends at a social gathering that she has insufficient campaign funds to pay for mailers attacking her opponent's record on tax increases. Roger Thornhill is one of McGuffin's friends at the event. After listening to McGuffin, he spends $5,000 to pay for mailers attacking the*

*opponent's record on tax increases. In doing this, Thornhill has made an unlawful in-kind contribution to Grace McGuffin.*

When a committee makes a payment that advocates for or against a City candidate, it is presumed that the payment is not "independent" if:

- ✓ it is based on information about the candidate's campaign needs or plans that the candidate has provided to the committee, or
- ✓ it is made by or through an agent of the candidate in the course of the agent's involvement in the current campaign, or
- ✓ the committee retains the services of a person who provides the candidate with professional services related to campaign or fundraising strategy for that election, or
- ✓ the communication duplicates, in whole or in substantial part, a communication designed, produced, paid for, or distributed by the candidate.

***Example:*** *Walt Huston is a candidate in the Council District 4 election and has employed Marly Dietrich to provide consulting services for his campaign. The Hoover Society would like to support Huston so they hire Dietrich to oversee design and distribution of a campaign mailer. Because Dietrich is providing consulting services to both the candidate and the Hoover Society, there is a presumption that the mailers disseminated by the Hoover Society to support Walt Huston are not "independent," but are instead unlawful in-kind contributions to Huston.*

***Example:*** *Pete Lorry is a campaign volunteer for Sid Greenstreet's Council District 4 campaign committee. Lorry is aware of Greenstreet's campaign strategies and planned expenditures. Lorry is also a member of MoveUp, an organization interested in supporting Greenstreet's campaign. Lorry must avoid any involvement with MoveUp's political expenditures to ensure that MoveUp's expenditures are independent of Greenstreet's committee.*

There are many situations in which a connection between a person and a candidate do not rise to the level of coordinating expenditures. An expenditure is not made at the behest of a candidate or committee merely when:

- ✓ the person making the expenditure interviews the candidate on issues without discussing campaign strategy, or
- ✓ 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, or
- ✓ the person making the expenditure has made a contribution to the candidate, or
- ✓ the person making the expenditure is responding to a general, non-specific request for support by the candidate or the candidate's agent, provided that there is no discussion with the candidate or candidate's agent prior to the expenditure relating to details of the expenditure, or
- ✓ the person making the expenditure has invited the candidate to make an appearance before the person's members, employees, shareholders, or the families thereof, provided that there is no discussion with the candidate or candidate's agent prior to the expenditure relating to details of the expenditure, or
- ✓ an expenditure is made at the request or suggestion of the candidate or candidate's agent for the benefit of another candidate or committee.

***Example:*** *Jim Stewart is running for a Council District seat and is invited to speak at the Aardvark Club's monthly meeting. At the meeting, Stewart discusses his platform and asks for the Aardvark Club's support, but does not provide any details regarding his advertising strategies or needs. After the meeting, the Aardvark Club sends out mailers to residents of Stewart's district. Because Stewart did not provide the Aardvark Club with any information regarding the content, timing, location, mode, intended audience, volume of distribution, or frequency of placement of the mailers, the Aardvark Club has made an "independent" expenditure.*

**Limits on Contributions and Expenditures**

Recipient committees that make independent expenditures are not subject to contribution limits. Such committees may accept unlimited contributions from individuals and non-individual entities, including business entities and organizations, for the purpose of making independent expenditures.

There are no limits on the amount of money a committee may spend on independent expenditures to support or oppose a candidate or ballot measure.

**Coordination Between Committees**

Committees making independent expenditures may exchange information with other such committees regarding campaign advertising, such as when two such committees discuss a scenario in which one committee will pay for mailers and the other committee will pay for a phone bank.

Committees making independent expenditures may also share the costs of campaign advertising. For example, Committee A and Committee B may jointly purchase a campaign mailer if each committee submits a check to the printer for their equal share of the cost of printing the mailer.

If, however, a committee gives anything of value to another committee without receiving full compensation in return, the item of value would be considered a contribution. For example, if Committee A pays for mailers and later receives a check equal to half the cost of the mailers from Committee B, then Committee A has received a contribution from Committee B.

# Chapter 8
# Campaign Advertising and Advocacy in the City of San Diego

This Chapter is intended to provide guidance to primarily formed recipient committees, general purpose recipient committees, and independent expenditure committees that make expenditures to support or oppose candidates in the Council District 4 special election or special run-off election.

**Mass Campaign Literature**

Mass campaign literature includes mailers, flyers, pamphlets, door hangers, walking cards, posters, yard signs, business cards, campaign buttons 10 inches in diameter or larger, and bumper stickers 60 square inches or larger.

If a committee distributes 200 or more substantially similar items of mass campaign literature in a calendar month, each item must contain the following disclosure: the words **"paid for by"** immediately followed by the name, street address, and city of the committee paying for the items.

The "paid for by" disclosure must be in a typeface that is easily legible, contrasts with the background, and is no less than 12 points in size (or 5% of sign height for yard signs).

A recipient committee distributing the mass campaign literature must identify itself using the same name that appears on the Statement of Organization (Form 410) that it filed with the Secretary of State. It may not use an informal, abbreviated, or past version of its name. In the case of an independent expenditure committee, the name on the campaign literature must be the same name that appears on its Form 461.

A post office box may be used instead of a street address if the committee's street address is a matter of public record with the Secretary of State (i.e., identified on the committee's Form 410).

Note that the Ethics Commission does not regulate the truth or accuracy of the content of mass campaign literature. It has no control over the dissemination of false or misleading information.

For additional details concerning mass mailing rules, please refer to the "Fact Sheet on Mass Campaign Literature," which is available on the Ethics Commission's website.

**Telephone Communications**

The City's campaign laws require committees to include a disclosure statement when making substantially similar live or recorded campaign-related telephone calls to 500 or more individuals or households in connection with the same election.

In order to count toward the 500-call threshold, a telephone call must be:

- made to support or oppose a City candidate or City ballot measure, or
- part of a poll that mentions a City candidate or City ballot measure.

The disclosure requirement is triggered as soon as the committee arranges for the placement of calls that will take it to or past the 500-call threshold for a single election. Once a committee knows that it will reach that threshold, it must begin making the disclosure; it may not wait until the 500th call.

Such telephone calls must include a statement that the calls are "paid for by," "authorized by," or are otherwise being made "on behalf of" immediately followed by the name of each committee paying for the resources used for the calls (e.g., the purchase of a contact list, the development of a script, overhead expenses, and telephone charges).

The applicable disclosure is determined by the following criteria:

- a call is **"paid for by"** a committee when the committee pays directly for the call or pays another person to make the call on its behalf.

- a call is **"authorized by"** a committee if a person pays for the call at the behest of the committee and that payment is a contribution to the committee.

- a call is made **"on behalf of"** a committee when it is made by a volunteer at the direction of the committee (even if the committee has paid for a contact list, telephone charges, etc.).

***Example:*** *A month before the special election, the California Conservation Coalition, a state general purpose committee, makes an independent expenditure by hiring a "phone bank" company to make 2,000 advocacy calls in support of a District 4 candidate. Each call made by the phone bank to support the candidate must include a statement that the call is "paid for by the California Conservation Coalition."*

If the telephone communication is a recording, the disclosure statement must be played at the same speed as the rest of the message. The disclosure statement must be clearly audible and at the same volume as the rest of the call. The disclosure may be made any time during the telephone call. If a person receiving a telephone call asks who paid for the call, the caller may tell the person that the disclosure will be made at the end of the call.

State law contains prohibitions regarding "robocalls" (calls placed by machines using automatic dialing features). These prohibitions do not fall within the scope of the City's campaign laws; see California Public Utilities Code sections 2871 through 2876 for more information.

Note that the Ethics Commission does not regulate the truth or accuracy of the content of telephone communications. It has no control over the dissemination of false or misleading information.

For additional details regarding the applicable rules, please refer to the "Fact Sheet on Telephone Communications," which is available on the Ethics Commission's website.

**Billboards and Large Signs**

If a committee pays for an advertisement that appears on a billboard (or other large advertisement at least 30 square feet in size), the advertisement must contain a **"paid for by"** disclosure that includes the name of the committee paying for the advertisement.

***Example:*** *The committee Friends of Filmore – Council District 4 in 2013, sponsored by the Downtown Owners Association purchases a billboard to urge voters to vote for Filmore in the special election. The billboard must contain the words "Paid for by Friends of Filmore – Council District 4 in 2013, sponsored by the Downtown Owners Association."*

The size of the disclosure must be at least five percent of the height of the advertisement and printed in a contrasting

color. The height requirement applies to the height of the font used in the disclosure. Accordingly, if a disclosure is spread across multiple lines of text, the height of each line of text in the disclosure must be equal to or greater than five percent of the height of the billboard or sign.

**Mass Media Advertisement**

Committees must include a **"paid for by"** disclosure in any advertisement purchased in a newspaper, periodical, or magazine of general circulation.

The "paid for by" disclosure must also appear in any Internet web page advertisement. This disclosure requirement does not apply to the committee's own website, but instead to websites that sell a portion of their web page for advertising purposes.

**NOTE: if a web advertisement is too small to allow the full "paid for by" disclosure, make sure the advertisement contains a link to a webpage clearly displaying that information.**

The disclosure must be in the form of "paid for by" followed by the name of the committee, and must be in a typeface that is easily legible, contrasts with the background, and is no less than 12 points in size.

***Example:*** *The committee San Diegans in Support of Salinger for District 4 in 2013 purchases advertising space in the Union-Tribune newspaper and on The Voice of San Diego website. Both advertisements must include the words "Paid for by San Diegans in Support of Salinger for District 4 in 2013."*

**Radio and Television Advertising**

The City's campaign laws do not regulate radio and television advertising. There are, however, state and federal laws that apply to these forms of advertising. Such rules are beyond the scope of this manual.

**Electronic Advertising**

In addition to the local rules discussed in this chapter, state law now imposes "paid for by" disclosures on certain campaign advertising that appears on Internet web pages, blogs, mobile devices, and other electronic communication systems. The state also requires a "paid for by" disclosure on 200 or more substantially similar email messages. These rules are outside the scope of this manual; consult the California Fair Political Practices Commission for more information.

**Identification of $10,000 Donors**

A committee that is primarily formed to support or oppose a Council District 4 candidate must include an additional disclosure statement on its advertisements if the committee has received contributions totaling $10,000 or more from a single source.

***Example:*** *BioChem makes a $15,000 contribution to Citizens for Bryant - 2013 District 4, a committee supporting Francis Bryant in the March special election. When the ordering mailers advocating for Bryant, the committee will include a disclosure on the mailers stating that they are "paid for by Citizens for Bryant - 2013 District 4, 101 Main Street, San Diego, with major funding from BioChem."*

**NOTE: the $10,000 disclosure requirement does not apply to contributions made to a general purpose recipient committee.**

If there are more than two contributors of $10,000 or more, the committee is required only to disclose the highest and second highest contributor, in that order. In the event that more than two donors meet this

disclosure threshold at identical contribution levels, the highest and second highest shall be selected according to the order in which the contributions were made.

Note that under state law, if a contributor of $50,000 or more is a primarily formed recipient committee or a general purpose recipient committee, the word “committee” must be included in the disclosure.