



## FACT SHEET ON COMMITTEE SPONSORS

The City's Election Campaign Control Ordinance [ECCO] requires City committees to comply with campaign laws that govern the identification and disclosure of their sponsors. This fact sheet addresses the identification and disclosure requirements that apply to City general purpose committees and committees that are primarily formed to support/oppose City candidates and measures. It should not, however, be considered a substitute for the actual language contained in ECCO or state law.

- ❖ City committees must disclose on their campaign statements and advertisements the identity of their sponsors. A "sponsor" is an entity that does any of the following:
  - ✓ provides 80% of the committee's contributions (including contributions from members, officers, employees, or shareholders of the entity); or
  - ✓ collects contributions for the committee by using payroll deductions or dues from its members, officers, or employees; or
  - ✓ provides, alone or with other entities, the majority of the committee's administrative services; or
  - ✓ determine, alone or with other entities, the committee's policies for soliciting contributions or making expenditures.
- ❖ Any one of the above-referenced criteria will qualify an entity as the committee's sponsor. For example, an entity that provides a committee with most of its administrative services meets the criteria for committee sponsorship even if the entity doesn't provide any funding to the committee.
- ❖ For example, the San Diego Wildlife Foundation is a 501(c)(4) non-profit organization that creates a committee to support a City Council candidate sympathetic to its goals. The foundation's executive director develops the committee's strategies for raising money; the foundation's office manager handles the committee's administrative functions. These actions, together or separately, establish the foundation as a "sponsor" of the committee, even if the foundation makes no contributions to the committee.
- ❖ Only an entity (e.g., a business, organization, union) may qualify as a sponsor – not an individual. See the Ethics Commission's Fact Sheet on Committee Principal Officers for separate rules concerning the identification and disclosure of individuals who are responsible for approving a committee's expenditures, developing its campaign strategies, or engaging in similar activities.
- ❖ A committee that has one or more sponsors must include the names of its sponsors in its committee's name. Example: "Responsible Citizens in Support of Smith for Council 2016, sponsored by the San Diego Wildlife Foundation."

- ❖ In general, if a committee has more than one sponsor, each sponsor must be identified. However, if multiple sponsors are members of the same industry or identifiable group, the committee name may instead include a term that identifies that industry or group. Example: “Responsible Citizens in Support of Smith for Council 2016, sponsored by a coalition of San Diego wildlife preservationists.”
- ❖ The committee’s full name must be identified on its Statement of Organization [Form 410] and disclosed on all of its campaign statements, e.g., Forms 460, 496, and 497.
- ❖ The committee’s full name must also be included in the “paid for by” disclosures required on campaign advertisements, including mailings, door hangers, yard signs, and billboards. See the Ethics Commission’s Fact Sheet on Campaign Advertising for additional information.
- ❖ Note that in some circumstances, an authorized representative of the committee’s sponsor will be required to sign and verify the committee’s campaign statements. Contact the Ethics Commission for additional assistance in this regard.
- ❖ For additional information, please contact the Ethics Commission at (619) 533-3476.

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