

Memorandum

To : Mr. Ted Prim
Fair Political Practices Commission
1100 K Street
Sacramento, CA 95814

Date: August 3, 1976

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From : **Secretary of State**

Subject: FPPC Regulation 18901 -
Publicly Financed Mass Mailings

Upon reading the FPPC May 25 memo and Regulation 18901, there are several items concerning the Secretary of State's Office which require consideration and/or interpretation.

1. Section 3301 of the Corporations Code (Section 1502, effective January 1, 1977) requires every domestic corporation within 90 days after filing articles of incorporation and annually thereafter, to file with the Secretary of State, a statement setting forth the number of corporate directors, the name and business address of each director, and the names and addresses of corporate officers, etc.

The statute says the report must be on a form prescribed by the Secretary of State. It does not say the Secretary of State must provide the form. However, from a practical viewpoint, the Secretary of State must and does provide the form on which to report. To do otherwise would result in dramatic noncompliance. The statutes allow the Secretary of State to administratively charge a modest fee to fully recover the cost of the entire program element.

Given there are in excess of a quarter million corporations, the mailing of the forms appears to constitute mass mailing as defined by Section 82041.5 of the Government Code. The Secretary of State's name does not appear on the form; however, it does appear on the envelope, which is standard practice for all items mailed from this office.

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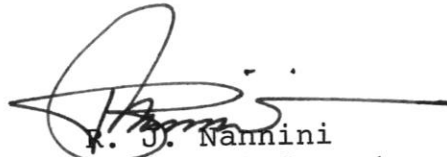
2. A similar concern exists concerning forms used by candidates and committees who are required to file reports with this office pursuant to provisions of Prop. 9.

The Act does not require our office to mail forms to the filers, but we do so in the best interest of the program. Here again, the Secretary of State's name appears on the mailing envelope.

3. Section 18901(b)(2) & (3) refers to letterhead and stationery. Does the word "stationery" include envelopes? If it doesn't, it in my judgment should.

The above examples are not intended to be all inclusive, but they do represent our concern about the mass mailing regulation.

May we please hear from you concerning this matter?



R. J. Nannini
Assistant Secretary of State

RJN:jp