

90451

State of California



Fair Political Practices Commission

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Technical Assistance ••• Administration ••• Executive/Legal ••• Enforcement ••• Conflict of Interest
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January 31, 1980

Assemblyman Wadie P. Deddeh
State Capitol
Sacramento, CA 95814

A-80-01-104

Dear Assemblyman Deddeh:

Thank you for your letter of January 28, 1980, concerning a possible amendment to the Political Reform Act which would prohibit Franchise Tax Board auditors from contacting persons who contribute less than \$250 to a campaign.

Apparently the concern stems from a constituent who was sent a "confirmation letter" by the Franchise Tax Board. As you know, such letters are sent out on a random basis to contributors listed in campaign statements for the purpose of spot checking the accuracy of such reports. The confirmation letter process has been useful in uncovering instances of inaccurate reporting. Since the names of contributors must only be reported in campaign statements if they contribute over \$100, there is already a "de facto" threshold at the \$100 level before contact is made by the auditors. In fact, even where a candidate or committee elects to report the names of all its contributors, including those who contribute under \$100, the Franchise Tax Board still only samples from those contributing over \$100.

My general impression is that the \$100 threshold is appropriate, but I will forward a copy of your proposal to the other four members of the Commission for their input as well.

Sincerely,

A handwritten signature in cursive script that reads "Tom K. Houston".

Tom K. Houston
Chairman

TKH:cjb
cc: Commissioners



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CHAIRMAN
PUBLIC EMPLOYEES AND
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70154

WADIE P. DEDDEH
ASSEMBLYMAN, EIGHTIETH DISTRICT
SAN DIEGO COUNTY

January 28, 1980

Thomas K. Houston, Chairman
Fair Political Practices Commission
1100 "K" Street
Sacramento, California 95814

Dear Mr. Houston:

I should like to ask for your personal consideration of a proposal that was made to me, relative to the auditing provisions of the FPPA.

First of all, let me stress that it is my intent, and the intent of my constituent, to stay firmly within the spirit of Proposition 9. I would not, under any circumstances, attempt to subvert that clear indication of the public will.

I enclose a copy of the language that my constituent drafted. The essential point of it all is that the ordinary small contributor should not feel harrassed by the fact that he makes a relatively small contribution. If nothing else, the prospect of virtually "signing up" for an audit, in consequence of a voluntary participation in the democratic process, is widely felt to be intimidating. And I think you would agree with me that nothing in the spirit of Proposition 9 had that intent.

If this proposal - or some modification of it - seems reasonable to you, I would respectfully request that the Commission discuss it formally. I would be pleased to be advised as to whether the Commission might find such a bill worthy of the Commission's support.

Sincerely,

Wadie P. Deddeh
WADIE P. DEDDEH

WPD:dfg

cc: Timothy E. Fields, Esq.

Section 90001.5. SMALL CONTRIBUTOR EXEMPTION FROM ROUTINE AUDITS. No audit or investigation made pursuant to Sections 90000 and/or 90001 shall contact an individual contributor when the contributor has contributed a cumulative amount of \$250.00 or less in the current or latest reporting period. Such contributors may only be contacted during the course of an audit or investigation if probable cause exists to believe that the contribution was not made in compliance with state law. Nothing in this section shall prohibit the Franchise Tax Board, Fair Political Practices Commission or any enforcement agency from revealing and/or verifying the fact that such a contribution was made and received through the records of the recipient.