January 12, 2021

Brian Burley City of Huntington Beach 5267 Warner Ave. #304 Huntington Beach, CA 92649

Re: Your Request for Advice

**Our File No. A-20-156** 

Dear Mr. Burley:

This letter responds to your request for advice regarding campaign contribution and transfer provisions of the Political Reform Act (the "Act"). 1

Please note that we are not a finder of fact when rendering advice (*In re Oglesby* (1975) 1 FPPC Ops. 71), and any advice we provide assumes your facts are complete and accurate. If this is not the case or if the facts underlying these decisions should change, you should contact us for additional advice.

## **QUESTION**

Under the Act, may you transfer contributions from your federal campaign committee to your Huntington Beach City Council campaign committee, given that Huntington Beach has imposed local contribution limits pursuant to Section 85702.5?

## **CONCLUSIONS**

Because the City has adopted local contribution limits pursuant to Section 85702.5, the Act's general intra-candidate transfer provisions under Section 85306 are inapplicable. Accordingly, the Act does not prohibit the transfer. However, the permissibility of such a transfer will depend on any federal restrictions as well as the City's local ordinances. We offer no opinion as to the applicability of any restrictions outside of the Act.

## FACTS AS PRESENTED BY REQUESTER

You have a Congressional campaign committee, as well as a Huntington Beach City Council campaign committee. Both committees are currently designated for the 2020 elections, but

<sup>&</sup>lt;sup>1</sup> The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

will be redesignated for the 2022 elections. Both committees currently have debts to yourself or unpaid bills. You plan to begin fundraising for your Congressional campaign committee in early January to pay off those debts. You are seeking advice on whether you may transfer funds from your Congressional campaign committee to your City Council campaign committee to pay down those debts, as well as whether there is any dollar cap/limit on the amount that may be transferred, given that Huntington Beach's local municipal code calls for a \$600 contribution limit for the recent 2020 General Election.

## SISATYNY

The Political Reform Act regulates California state and local elections, but not federal elections. Candidates for election to federal office are governed by the Federal Election Campaign Act. Section 85306(a) of the Act provides, "[a] candidate may transfer campaign funds from one controlled committee to a controlled committee for elective state, county, or city office of the same candidate. Contributions transferred shall be attributed to specific contributions when aggregated out' or 'first in, first out' accounting method, and those attributed contributions when aggregated out' or 'first in, first out' accounting method, and those attributed contributions when aggregated with all other contributions from the same contributor shall not exceed the limits set forth in Section with all other contributions from the same contributor shall not exceed the limits set forth in Section with all other contributions from the same contributor shall not exceed the limits set forth in Section with all other contributions from the same contributor shall not exceed the limits set forth in Section with all other contributions from the same contributor shall not exceed the limits set forth in Section with all other contributions from the same contributor shall not exceed the limits set forth in Section

However, Section 85306(d) expressly provides, "[t]his section does not apply in a jurisdiction in which the county or city imposes a limit on contributions pursuant to Section 85702.5 [which permits local jurisdictions to adopt alternate contribution limit for the 2020 General that Huntington Beach has adopted a \$600 campaign contribution limit for the 2020 General Election—i.e., an alternate contribution limit imposed pursuant to Section 85702.5. Therefore, neither Section 85306's general provisions regarding intra-candidate transfers, nor Section 85316's general provisions regarding the receipt of post-election contributions are applicable. Rather, the question of whether an intra-candidate transfer from your federal campaign committee to your City Council campaign committee is permissible falls outside the provisions of the Act and will instead depend on any federal restrictions and the City's local ordinances. Pursuant to state law, we have no authority to assist you with any questions regarding the applicability of federal or local restrictions.

If you have other questions on this matter, please contact me at (916) 322-5660.

Sincerely,

Dave Bainbridge General Counsel

By: Kevin Cornwall Counsel, Legal Division

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