

California
Fair Political Practices Commission
Major Donor Committees

Major donor committees are persons, including individuals, businesses, and certain organizations and associations, that contribute \$10,000 or more in the aggregate within a calendar year to California state and local candidates or committees, including political parties and ballot measure committees. However, major donors do not raise money to make contributions; they use their personal, business, or organization's or association's funds. Persons must re-qualify each calendar year; contributions made in one calendar year are not cumulated with contributions made in another calendar year to determine whether the person is a major donor.

Example

In 2008, Margarite used her personal funds to make contributions totaling \$10,000 to two state candidates and local ballot measure committees and candidates. She qualified as a major donor and had reporting obligations. In 2009, Margarite made contributions totaling only \$8,000 to local candidates and committees. Margarite did not qualify as a major donor in 2009 and, thus, did not incur reporting obligations for that year.

The FAQs listed below are selected from FPPC Campaign Disclosure Manuals. Because campaign activity varies among persons and committees, the FPPC manuals and regulations should be reviewed. All effort has been made to provide helpful, easy to understand answers to common campaign questions. However, persons may only receive immunity from an enforcement action by requesting written advice. FPPC Campaign Manual 5 provides guidance for Major Donor Committees.

Qualifying

1. Q. *Must my corporation contribute \$10,000 or more to a single candidate or committee in order to qualify as a major donor?*
 - A. No. As long as a total of \$10,000 has been contributed to California state and local candidates and committees in a single calendar year, your corporation will qualify as a major donor.

2. Q. *I received a letter from a candidate to whom I made a contribution of \$5,000 this year. Would the requirement to report as a major donor apply to me as an individual or is this just for organizations and businesses?*
 - A. Individuals and business entities who contribute \$10,000 or more in a single calendar year to California state and local candidates and committees qualify as a major donor.

3. Q. *Do I qualify as a major donor by making a \$6,000 loan to a committee and then forgiving the loan in the same calendar year?*
 - A. No. However, if the loan is forgiven in a subsequent calendar year, the forgiveness counts toward qualification as a major donor for that year.

4. Q. *Our association has never raised money specifically to make contributions in California, nor have we made a contribution in the past. If we make a contribution of \$15,000 from our membership dues income to a California committee now, do we have reporting obligations?*
 - A. A single contribution of \$10,000 or more to a California state or local candidate or committee will qualify your association as a major donor and you must report your contribution on a Form 461. Additional political payments may require the incorporation of a political committee.
5. Q. *Do I need to register and receive a committee ID number?*
 - A. No. Major donor committees do not file a Statement of Organization, Form 410. This form would generate a committee ID number from the Secretary of State.
6. Q. *Should a report be filed as soon as I contribute \$10,000?*
 - A. Yes, if your contribution is made 16 days before an election. Statements must be filed according to the “Filing Deadlines” document, which can be found on this website by clicking onto “Candidates/Committees.” The filing schedule identifies the required forms.
7. Q. *Who must sign the reports?*
 - A. If the major donor is an individual, the individual or legal representative must sign. If the major donor is an organization, such as a corporation or association, a responsible officer of the organization must sign.
8. Q. *Once we qualify as a major donor, must we continue to file reports on an annual basis?*
 - A. No. You must requalify as a major donor every January 1 before reports for that year are required. Statements must be filed according to the “Filing Deadlines” document, which can be found on this website by clicking onto “Candidates/Committees.”
9. Q. *Where do I file reports?*
 - A. The filing location depends upon where contributions are made. Persons making contributions on the state level must file with the Secretary of State, the Registrar-Recorder of Los Angeles County and Department of Elections—City and County of San Francisco. In addition, contributions totaling \$50,000 or more in a calendar year must be reported online as well as on a hard copy of the form. See Campaign Manual 5 for guidance.

Contributions

10. Q. *Our corporation produced and sent a communication solely to our employees and shareholders advocating our position on a ballot measure. Are costs associated with this communication considered contributions we must count toward qualifying as a major donor and are they reportable?*
 - A. No. Payments made by an organization for communications sent only to its members or officers, employees, shareholders, or their families are not contributions and, therefore, would not need to be counted for qualifying or reporting purposes.

11. Q. *Other than money, what is considered a contribution? If we provide our phones for campaign volunteers to use or if we provide office space, staff, or data from polls we have produced, are these considered contributions?*

A. Yes. Those can all qualify as contributions.

A contribution is a monetary or nonmonetary benefit to a candidate or committee, unless they have paid full market value for the benefit. A contribution includes:

- Money (cash of \$100 or more is prohibited);
- Loans, including loan guarantees;
- Enforceable promises; and
- Nonmonetary items, including services.

However, if members of your organization or employees of your business wish to provide their services to a committee on their own time and without pay, these would be considered “voluntary personal services,” which are not considered contributions.

12. Q. My husband and I have a joint checking account. How do we report contributions written from this account?

A. Individuals (including spouses) may make separate contributions from a joint checking account. For reporting purposes, the full amount of the contribution is reported as received from the individual who signs the check. If two or more individuals sign the check, the contribution is divided equally between or among the signers, unless there is an accompanying document signed by each individual whose name is printed on the check that clearly indicates a different apportionment. Spouses should file separate reports.

Contribution Limits

13. Q. *Are contributions to multiple committees controlled by a state candidate aggregated?*

A. For reporting purposes, contributions to different election committees controlled by a state candidate are not cumulated for the “cumulative amount” column. However, for purposes of determining a contribution limit, contributions made to an elected state officeholder’s committee must be cumulated with contributions to other committees for election to a future state office controlled by the same officeholder.

14. Q. *Is there an overall limit on how much we may contribute to state candidates and officeholders?*

A. No. The contribution limits apply to individual state candidates, general purpose committees that make contributions to state candidates, and political party committees; you may contribute the maximum allowed to each of these types of committees. A state officeholder does have an aggregate contribution limit per calendar year for contributions to an officeholder committee. Check under “Candidates/Committees” on FPPC’s home page for the current limits.

Communications

15. Q. *If we pay for a mass mailing that was coordinated with a candidate, must we be identified on the mailing?*
- A. Yes. If more than 200 pieces of the same or similar mail is sent in a calendar month, the name and address of the major donor paying for the mailing must appear somewhere on the outside of the mailing in no less than six-point type and in a color that contrasts with the background (e.g., no white on white).
16. Q. *If we decide to produce a broadcast expressly asking voters to vote for a candidate without coordinating with the candidate, are there identification requirements?*
- A. Yes. The name of the major donor paying for the advertisement must be presented in a clear and conspicuous manner, including broadcast information appropriately conveyed to the hearing impaired. In addition, a statement that the broadcast was not authorized by the candidate is required.
17. Q. *If we send over 200 emails supporting a ballot measure, are there any identification requirements?*
- A. No. The mass mailing identification requirements apply only to items sent through the mail (e.g., USPS, FedEx). However, the FPPC is reviewing email and internet usage by candidates and committees and may regulate them in the future.
18. Q. *Are we ever identified on any communications we are not responsible for producing?*
- A. Yes. If a contribution or contributions totaling \$50,000 or more are made to a primarily formed ballot measure committee, the name of the major contributor must be included in the primarily formed committee's advertisements if the major contributor is one of the two highest contributors to the committee. However, only the highest major contributor must be identified in any advertisement that is an electronic broadcast of 15 seconds or less, or a newspaper, magazine, or other public print media advertisement that is 20 square inches or less.

This FAQ fact sheet is not a final decision of the FPPC and does not constitute legal advice or alter any legal right or liability. This fact sheet is not a rule, regulation or statement binding on the agency.