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August 30, 2006

Liane M. Randolph, Chair
Fair Political Practices Commission
428 J Street, Suite 620
Sacramento, CA 95814
SENT VIA FACSIMILE

RE: FPPC rule that allows officials to hide donations at crucial moment

Dear Ms. Randolph:

The FPPC maintains a regulatory loophole that allows lawmakers to hide political contributions from public view at crucial moments, such as during the final weeks of the legislative session. You must close this loophole.

As the *Orange County Register* reports today, dozens of politicians who have held fundraisers in recent weeks are not being required to publicly disclose their donors, despite the fact that we have entered the 24-hour reporting period as required - within 90 days of the November 6th election. Lawmakers hide the donations by accepting pledged contributions rather than receiving cash.

Allowing politicians to conceal donations from special interests while deciding the fate of more than 1,500 proposed laws is convenient for lobbyists and lawmakers alike. But it leaves the public in the dark about one of the most despicable and corrupting traditions in Sacramento: fundraising while legislating.

The law requires that “enforceable promises” of contributions be disclosed, but the FPPC’s current rules exempt promises in which the donor “signs a pledge card or similar document, or otherwise agrees, orally or in writing, to make a future payment.” This massive loophole is allowing lawmakers to avoid scrutiny of lobbyist and special-interest influence at the very moment that scrutiny is most needed.

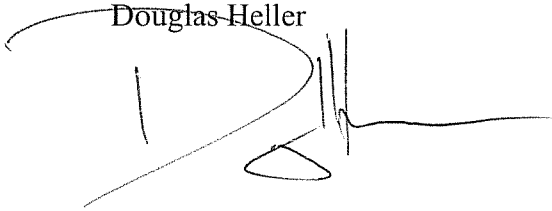
While some lobbyists provide a check up front at these scores of fund-raising events near the Capitol, many donors, as the *Register* reports and our own review of disclosure filings indicates, instead list their name or their corporate client’s name in a “pledge” column to be paid later—perhaps after a special interest’s issues are voted on. Aside from the conflict of interest created by any legislating while fundraising, the loophole allowing lawmakers to hide their donors while voting on said donors’ bills is especially unethical.

First, the public ought to know if AT&T, for example, is contributing to politicians just as that company is lobbying for a massive overhaul of the cable industry. Of the 1,500 bills being addressed in these final days and weeks, many of them obscure and moving through the process with minimal or no debate, how many of them are passed or defeated at the hands of lobbying interests that are surreptitiously contributing to lawmakers?

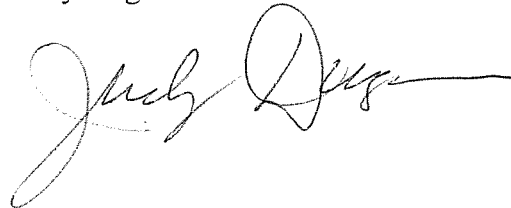
Second, a pledged donation means the lobbyist is dangling money in front of a lawmaker while withholding the contribution until after the key legislative decisions are made. At the same time, the public knows nothing of this pressure to vote a certain way. The pledge loophole makes the conflict inherent in fundraising while legislating even more pernicious. We urge you to rewrite the rules.

Sincerely,

Douglas Heller

A handwritten signature in black ink, appearing to be "Douglas Heller", with a long horizontal flourish extending to the right.

Judy Dugan

A handwritten signature in black ink, appearing to be "Judy Dugan", with a long horizontal flourish extending to the right.