Consumer Watchdog

Formerly The Foundation for Taxpayer & Consumer Rights
1750 Ocean Park Boulevard, #200, Santa Monica, CA 90405-4938 • Tel: 310-392-0522 • Fax: 310-392-8874 • www.consumerwatchdog.org

December 9, 2008

Chairman Ross Johnson
Commissioners Hodson, Huguenin, Leidigh and Remy
Fair Political Practices Commission
428 J Street, Ste. 800
Sacramento, CA 95814
Fax: 916-322-6440

Via Facsimile

Re: Dec 11, 2008 meeting – agenda item 16 – proposed regulation 18521.5

Dear Chairman and Commissioners:

Consumer Watchdog sees an urgent need to clarify the rules for candidate-controlled ballot measure committees as you propose with regulation 18521.5.

As Commission staff notes, candidate-controlled general purpose ballot measure committees have proliferated since Proposition 34 limited contributions to candidates. We have watched misuse of these committees expand as well, as distinctions between the activities of initiative and campaign committees have blurred.

Although the courts have protected candidates' right to weigh in on ballot measures, and raise unlimited funds to do so, they have not declared that candidates can raise and spend unrestricted funds at will. General purpose ballot measure committees allow candidates to raise money and never declare how it will be spent. Absent the reporting required of primarily formed committees, candidate-controlled ballot measure committees take on the characteristics of unregulated slush funds.

Consumer Watchdog believes that the voters intended to limit all contributions to candidates, regardless of what committee collects it, when they approved Proposition 34. The courts, however, have found otherwise. This proposal helps ensure that candidates who solicit unlimited contributions must spend that money on actual ballot measures, not for campaign or other purposes.

Sincerely,

Carmen Balber

cc: Scott Hallabrin