



2020 COUNTY OF ORANGE CAMPAIGN MANUAL

Campaign Finance & Ethics Commission

<http://www.ocgov.com/gov/ocethics/>

Email: info@ocethics.com

Main: (714) 645 – 3844



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INTRODUCTION

On June 7, 2016, the voters in the County of Orange updated the Orange County Campaign Reform Ordinance via a ballot initiative sponsored by a majority of the Board of Supervisors and a long-time community activist. The Campaign Reform Ordinance places local rules and restrictions on campaign activity in addition to the requirements and regulations found in the California Political Reform Act (Gov. Code Sec. 81000 *et seq.*). County candidates, elective county officers, and their controlled committees as well as individuals who support or oppose County candidates must comply with both California and County of Orange campaign laws.

The updated Campaign Reform Ordinance also established a Campaign Finance and Ethics Commission (“Commission”). One of the purposes of the Commission is to provide oversight of the County’s Campaign Reform Ordinance. As part of the oversight duties, each year the Office of Campaign Finance and Ethics Commission develops a “plain language manual” to help individuals understand the Campaign Reform Ordinance. This manual attempts to summarize and simplify the Ordinance’s language and requirements, provide general instructions and assist in answering questions.

This manual is updated on an annual basis but may not provide answers to complicated factual scenarios or address recently enacted changes to the law. Thus, the manual should be considered **advisory only**. If you have questions about the contents of this manual or your obligations under the Campaign Reform Ordinance, you should contact Commission staff by email, phone or mail:

Office of Campaign Finance and Ethics Commission
1300 S. Grand Ave, Bldg. B, 3rd Floor
Santa Ana, CA 92705
714-645-3844
info@ocethics.com

SUMMARY OF THE CAMPAIGN REFORM ORDINANCE

In general, the Orange County Campaign Reform Ordinance (“Ordinance”) establishes local contribution limits, restrictions on contributions, campaign reporting requirements and rules for slate mailers. The entire text of the Ordinance is found in the Orange County Codified Ordinances and is referenced in this manual as “OCCO”. The entirety of the Ordinance is available to view at:

https://library.municode.com/ca/orange_county/codes/code_of_ordinances

WHO AND WHAT IS COVERED BY THE ORDINANCE

The Ordinance applies to County Candidates which means any person who is a Candidate for the Board of Supervisors, Sheriff-Coroner, District Attorney-Public Administrator, Assessor, Treasurer-Tax Collector, County Clerk-Recorder, Auditor-Controller, or Superintendent of Schools. It also applies to an Elective County Officer, which means any individual who is elected or appointed to such a position.



The Ordinance also applies to individuals who make campaign contributions to, in support of, or against these candidates and/or officers. Finally, the Ordinance sets forth restrictions related to campaign activities on County property. This manual will try to provide plain language explanations of the laws in the Ordinance.

ELECTIONS IN 2020

In 2020, there will be elections for the following County offices covered by the Ordinance:

1. Board of Supervisor – District 1
2. Board of Supervisor – District 3

ELECTION CYCLE CALCULATION

Local campaign contribution limitations are associated with the dates of elections and the outcomes. The Ordinance defines election cycles in section 1-6-7. However, the Ordinance cannot give definitive dates for any particular election cycle due to factual differences and varying outcomes each election can present. Moreover, the definition of an election cycle was amended in November 2019 by the Board of Supervisors to conform to the change in the date of California's Primary. These variances are especially apparent given the 2019 Special Election. In an effort to help understand election cycles, specific dates are presented below.

1. Election Cycles for New County Candidates Running In March 2020:

In the March 2020 (Primary) election, a new County Candidate's initial election cycle begins on the date their campaign committee is formed. The initial election cycle for all new 2020 candidates ends on April 2, 2020.

2. Election Cycles for Previous County Candidates Running In March 2020:

If a candidate ran in the Special Election held in March 2019 and they re-designated to run in March 2020, their 2020 Primary election cycle starts on July 1, 2019 and ends on April 2, 2020.

3. Election Cycles for Incumbent County Candidates Running In March 2020:

Due to the Special Election in March 2019 and the change in the law, the election cycle start date for incumbent candidates vary. However, the end of the election cycles for incumbent candidates is April 2, 2020.

4. Run off in November

If a run off occurs in the November (General) election, the next election cycle for any candidate in the run-off goes from April 3, 2020 to December 31, 2020. This means during the "run-off/General election" the candidates in the run off can raise an additional \$2,100 from each contributor.



5. Election Cycles for Successful Candidates

If a candidate is successful in the March 2020 Primary his/her next election cycle will be April 3, 2020 to 30 days after the Primary election in 2024. If a candidate is successful in November his/her next election cycle will be from January 1, 2021 to 30 days after the Primary election in 2024.

REPORTING OF CAMPAIGN ACTIVITIES

The California Political Reform Act (Government Code § 81000 et.seq.) sets forth most of California’s campaign reporting requirements. Candidates should refer to the “Campaign Disclosure Manual 2” for local candidates, published by the California Fair Political Practices Commission (FPPC). This manual is available on the FPPC’s website www.fppc.ca.gov. Moreover, the FPPC does provide advice to individuals related to state campaign requirements via an advice line at (866) ASK-FPPC. Please note, the FPPC does not provide advice or enforcement of local campaign ordinances.

COUNTY REPORTING REQUIREMENTS FOR CANDIDATES AND COUNTY OFFICERS

1. ELECTRONIC FILING – OCCO §1-6-30

The Ordinance requires any County Candidate/ Elective County Officer or their controlled committees, who receive contributions or loans of more than \$2,000 to electronically file all required disclosure forms with the Orange County Registrar of Voters. No paper copy is required to be filed.

For information related to electronic filing, please contact the Orange County Registrar of Voters at 714-567-7600 or at <https://www.ocvote.com/voting/candidate-info/>

2. CURRENT AND CUMULATIVE CONTRIBUTIONS – OCCO §1-6-25

In addition to the reporting requirements under the California Political Reform Act, the County requires a candidate/committee to itemize contributions from a contributor totaling \$100 or more during a reporting period with that same contributor’s total for the election cycle. Thus, when the \$100 threshold is reached a County candidate is required to fill in each of the columns in Schedule A to the Form 460. (See example below.)

Schedule A
Monetary Contributions Received

Amounts may be rounded to whole dollars.

SCHEDULE A

SEE INSTRUCTIONS ON REVERSE		Statement covers period		CALIFORNIA FORM 460		
NAME OF FILER		from _____		Page _____ of _____		
I.D. NUMBER		through _____		I.D. NUMBER		
DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
		<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC				

*Forms can be found at the FPPC’s website: <http://www.fppc.ca.gov/forms.html>



3. NOTIFICATION & RETURN OF EXCESS CONTRIBUTIONS – OCCO §1-6-28

If a candidate discovers or is informed s/he received an excess contribution, the excess amount must be returned to the contributor within seven (7) days of the discovery AND notification of the refund must be provided to the Orange County Registrar of Voters within 72 hours of the return. The notice to the Registrar of Voters shall include the donor's name, the amount returned and the date of the return. (Contribution limits are discussed below in the section entitled "RESTRICTIONS".)

4. LATE INDEPENDENT EXPENDITURES – OCCO §1-6-23

Any person who makes an independent expenditure of one thousand dollars (\$1,000.00) or more in support of or in opposition to any County Candidate(s) within 90 days of an election shall notify all candidates running for that same office at least twenty-four (24) hours prior to the first publication, distribution or broadcast of the independent expenditure communication.

The Notice of the Late Independent Expenditure must be sent by personal delivery, telegram, facsimile, or by any other electronic means and shall include a copy of the "independent expenditure" communication.

5. POST-ELECTION CAMPAIGN STATEMENTS – OCCO §1-6-26

No later than fifteen (15) days following an election, a candidate must file a post-election campaign statement covering the period from the last pre-election statement through the tenth (10th) day following the election. This post-election campaign statement shall be filed on a Form 460 or other applicable form as required by the FPPC. The post-election statement is a County requirement and is in addition to those found in the Government Code. The Form 460 is found on the FPPC website.

6. AMENDMENTS TO CAMPAIGN STATEMENTS – OCCO §1-6-27

If the Orange County Registrar of Voters informs a candidate in writing that a previously filed campaign statement must be amended the amendment must be filed within 30 calendar days of the notification.



RESTRICTIONS ON CANDIDATES AND COMMITTEES

ACCOUNT/COMMITTEE RULES

1. ONE COMMITTEE/ACCOUNT RULE – OCCO §1-6-8

Each County Candidate or an Elective County Officer may have only one (1) campaign committee that shall have only one (1) bank account out of which all qualified campaign and officeholder expenses related to that county office shall be made. This one committee/account rule does not apply to a legal defense fund account (see OCCO 1-6-11.1). Nor does this rule prevent a County Candidate or an Elective County Officer from establishing a separate committee, with its associated bank account, for the purpose of running for another County office as long as the first bank account is closed within 60 days of establishing a second bank account.

2. CONTRIBUTION PROHIBITION; INTRA-CANDIDATE TRANSFERS – OCCO §1-6-9

The committees of County Candidates and Elective County Officers may not accept from or give contributions to any other committees controlled by another federal, state, or local candidate or officeholder. This prohibition includes making a contribution to a committee that supports or opposes a candidate.

The prohibition does not apply 1) to contributions of personal funds of Candidates or Officers or 2) if funds are transferred from one County Candidate's or Elective County Officer's controlled committee to another controlled committee established for a different office. However, if funds are being transferred to a new committee the rules established in section 1-6-9 (c) and 1-6-8 must be followed.

3. TRANSFER RULES – OCCO §1-6-9

When a County Candidate or Elective County Officer's controlled committee seeks to transfer contributions from a controlled committee established for a different office (the "transferor committee") to a County Candidate's or Elective County Officer's controlled committee established for an Elected County Office the following rules apply:

1. Contributions originally made to the transferor committee shall be attributed to the transferee committee using a "first in first out" or "last in-first out" accounting method.
2. The transferor committee must make an irrevocable designation in its records at the time of its first transfer whether it elects the "first in-first out" or a "last in-first out" method of accounting for the current and future transfers.
3. Each transferred contribution, when combined with all other contributions received by the County Candidate or Elective County Officer, or his or her controlled committee, from that contributor during the election cycle in which the funds are transferred, shall be subject to the contribution limitations of this division.



4. Transferred contributions shall be deemed contributions made to the transferee committee in the election cycle in which such contributions are received by the transferee committee.
5. The County interprets this section consistent with FPPC Regulation 18536 that requires the transferor committee to disclose each transfer on the appropriate form (such as a Form 460) and attribute all transferred contributions of \$100 or more.

CONTRIBUTION RULES

1. MONETARY LIMITATION - OCCO §1-6-5

As of April 2019, the contribution limit to County Candidates and Elective County Officers is \$2,100 per election cycle. The Orange County Board of Supervisors can adjust this amount in February of each odd numbered year. (OCCO §1-6-21.)

2. AGGREGATION OF CONTRIBUTIONS – OCCO §1-6-5

Contributions from the following persons shall be aggregated and may not exceed the \$2,100 per election cycle contribution limit:

- a. A sponsored committee and the sponsors.
- b. Two or more entities if any of the following apply:
 - a. Share a majority of board members.
 - b. Share two (2) or more officers.
 - c. Owned or controlled by the same majority shareholder/s.
 - d. Have a parent-subsidiary relationship.
- c. An individual and any general or limited partnership in which the individual has a ten (10) percent or more share.
- d. An individual and any corporation in which the individual owns a controlling interest (fifty (50) percent or more).
- e. A business who provides a contribution and any individual connected with the business who participates in or controls the decision on whether a candidate receives a contribution.
- f. Contributions by children under eighteen (18) years of age are presumed to be contributions from his/her parents or legal guardian(s). The contribution is allocated equally to each living parent or living guardian.

3. INFORMATION ABOUT CONTRIBUTORS – OCCO §1-6-14

No campaign contribution of \$100 or more can be deposited into a campaign account unless the following information is known and on file with the recipient:

- a. all information required by the Political Reform Act;
- b. name, address, occupation and employer;
- c. if self-employed- the name under which the person is “self-employed.”

If the required information cannot be obtained within sixty (60) days of receipt of the contribution or by the end of the next filing period whichever occurs last, the contribution must be returned to the contributor. If the contributor cannot be located, the contribution



shall be deposited in the Orange County General Fund or transferred to a charity that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

4. PROPERTY, GOODS AND SERVICES – OCCO §1-6-11

Any funds, property, goods or services, other than government funds, received by Elective County Officers or County Candidates which are used, or are intended by the donor or by the recipient to be used, for expenses related to holding Elective County Office or running for Elective County Office, are campaign contributions and subject to the limitations. Reimbursement for reasonable travel expenses related to holding Elective County Office are not contributions.

5. LOANS – OCCO §1-6-10

Loans are considered contributions if used or intended for use in campaigns and for holding public office. The loans are contributions, subject to the contribution limit and attributed to the maker and/or guarantor. The following rules apply to loans:

- a. All loans must be in writing and disclosed with the campaign statement on which the loan is first reported;
- b. Proceeds of a loan that are from a commercial lender are not contributions if the terms are the same as the public is offered in the regular course of business (guarantor still held to contribution limit);
- c. Extensions of credit for a period of more than thirty (30) days are subject to the contribution limitations of this division if not in the normal course of business

GENERAL OBLIGATIONS & BANS

1. CONTRIBUTOR DISCLOSURE OBLIGATION – OCCO §1-6-24

Any person whose contribution is subject to aggregation must disclose the prior contribution with which a contribution is aggregated. The notice must be done in writing to the County Candidate or Elective County Officer, or to his or her campaign committee.

2. SIGNATURE SOLICIATION BAN – OCCO §1-6-31

No County employee shall be solicited at his/her workplace for his/her signature on election nomination papers for any local, state or federal office. This does not stop nomination forms from being presented in areas that are considered “public forums.”

3. CONTRIBUTION SOLICIATION BAN – OCCO §1-6-12

Non-elected County Public Officers or County employees may not solicit, direct or receive contributions from individuals or their agents who have actions pending before them or have had actions pending before them in the preceding twelve (12) months. The exception is when a nonelected County Public Officer or County employee is a County Candidate acting in furtherance of his or her own controlled committee.



4. CONTRIBUTION TRANSMITTAL BAN – OCCO §1-6-13

No person shall receive, personally deliver, or attempt to deliver a contribution in any County office.

5. LATE INDEPENDENT EXPENDITURES – OCCO §1-6-23

Any person who spends one thousand dollars (\$1,000.00) or more in support of or in opposition to any County Candidate(s) within 90 days of an election shall notify all candidates running for that same office at least twenty-four (24) hours prior to the first publication, distribution or broadcast of the independent expenditure communication.

The Notice of the Late Independent Expenditure must be sent by personal delivery, telegram, facsimile, or by any other electronic means and shall include a copy of the “independent expenditure” communication.

6. INDEPENDENT COMMITTEES - OCCO §1-6-6

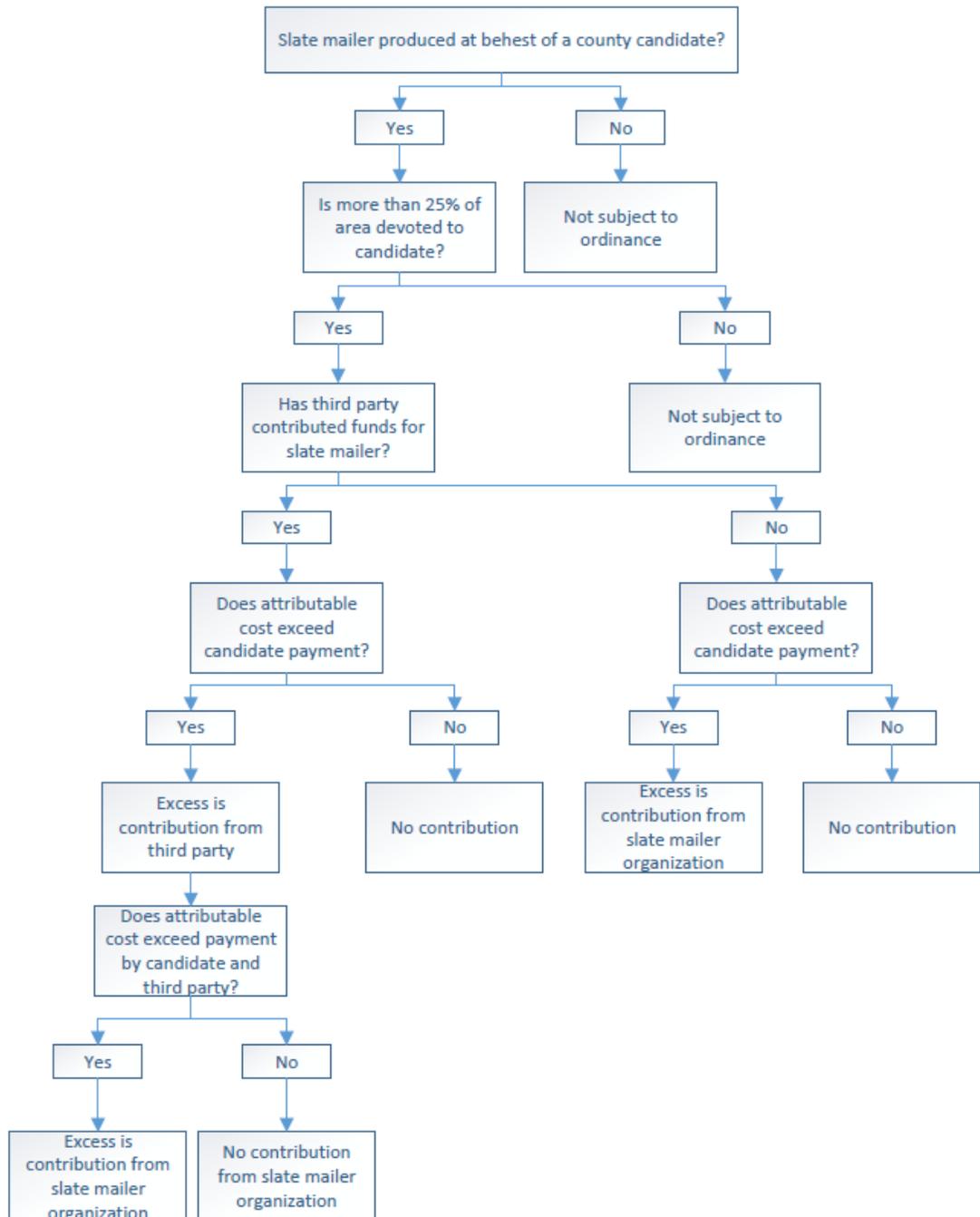
A Committee that supports or opposes a candidate for County office may not have a majority of its officers individuals who serve as the majority of officers on any other committee that supports or opposes the same candidate.

In addition, such a committee shall not act in concert with, solicit or make contributions on behalf of any other committee.



SLATE MAILERS

Mailed literature distributed by a Slate Mailer Organization at the request of a candidate can be considered a contribution under the Ordinance. Please follow the flow chart below to determine if the Ordinance applies or if there has been a contribution under the facts of any particular slate mailer. **OCCO § 1-6-22**





CONSEQUENCES AND PENALTIES

Consequences for violating any provisions of the Ordinance can be both administrative and criminal. The County of Orange has four (4) years after the date of the violation to commence a civil and/or criminal action. Violators can be ordered to pay monetary penalties of up to \$5,000 for each violation or three times the amount that the violator failed to report properly or unlawfully contributed, expended, gave or received, whichever is greater. Moreover, any individual who knowingly submits a false claim of a violation under the Ordinance can also be held criminally liable. See OCCO § 1-2-362, 1-6-15, 1-6-17 and 1-2-361.

To avoid consequences and penalties you may contact the Office for advice:

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