



Member Communications: Frequently Asked Questions

WHAT ARE MEMBER COMMUNICATIONS?

A powerful tool of political parties in California, member communications (MC) programs allow a state or county party organization to raise and spend funds to support or oppose candidates and ballot measures by communicating directly with registered party members. The passage of Proposition 34 in 2000 enabled member communications by repealing former restrictions on party activities.

WHAT CONTRIBUTIONS ARE ALLOWED?

Individual members of the County Democratic Party can make personal contributions to the Party and indicate their preference for the funds to be spent on a particular campaign. Contributions from non-Democratic individuals, businesses, PACs, labor unions, and other sources *cannot* be earmarked for any specific purpose or campaign, though the Party can independently choose to use those funds for MC.

WHAT ARE THE CONTRIBUTION LIMITS?

There are no dollar limits on contributions to the Party. The first \$10,000 from any individual's personal funds in a calendar year may be deposited in the Party's federal account. Additional personal funds from an individual, or funds from any other source in any amount, may be deposited in the Party's non-federal (state) account. Donations used for MC are not considered contributions to or expenditures by campaigns, and thus are not subject to local campaign finance restrictions.

IS THE PARTY RESTRICTED IN HOW MEMBER COMMUNICATIONS FUNDS ARE SPENT?

Yes. The Democratic Party can conduct MC only to communicate with individual registered Democrats in San Diego County. The Party cannot use these funds to reach the general public, but there is no limit to the amount the Party can spend. For the most part, MC takes the form of direct mail, paid phone calls, or canvassing to households where at least one Democrat is registered. MC expenditures can also be made to develop and implement plans for outreach to Democrats, including strategic consulting, polling, and other costs that are related to Democratic voter contact. In a program that includes both Democratic and non-Democratic voter targets, the cost can be split between the Party and the campaign, with the Party paying a share no greater than the percentage of targeted households with a registered Democrat.

HOW ARE FUNDS RAISED FOR MEMBER COMMUNICATIONS?

Under the law, MC expenses on behalf of a campaign are considered neither direct nor in-kind contributions. Rather, MC is a unique category of political activity that is fully coordinated between the Party and a campaign. This includes fundraising, so a campaign can reach out to its individual supporters to encourage them to give personally to the Party. Donors other than individual registered Democrats – while they cannot indicate their preference for how funds will be spent – can assess the Party's endorsements, activities, and critical races, then choose to support the Party's efforts in general. All MC expenditures are reported as such in its public reports filed with the California Secretary of State.

HOW DOES THE PARTY DECIDE WHERE TO CONDUCT MEMBER COMMUNICATIONS?

MC programs have the greatest impact in jurisdictions where campaign contributions are restricted. These include the County of San Diego, San Diego Unified School District, Sweetwater Union High School District, Southwestern Community College District, and the Cities of San Diego, Chula Vista, Escondido, Vista, Solana Beach, and Encinitas. In jurisdictions without contribution limits, donors can give as much as they choose directly to the campaign. Additionally, the most competitive races tend to attract the most interest and financial support. MC tends to occur only when the Party and an endorsed campaign mutually agree to work together to fund and implement a Democratic outreach program.

HOW ARE MEMBER COMMUNICATIONS FUNDS SPENT?

When the Party and a campaign choose to work together on an MC program, the Party's Chair, Vice Chairs, and Executive Director work with the campaign team to develop a budget, timeline, and strategy to contact Democrats in that race. That coordination allows for an approach that dovetails with the campaign's own outreach to non-Democrats. The Party generally uses the same consultants and vendors that the campaign is using for its own activities. As the entity paying for and approving MC messages, the Party has the final sign-off after reviewing literature and scripts for accuracy and compliance. The Party does not engage in MC to oppose Democratic candidates in races where multiple Democrats are running. In 2015, the Party created a Finance Oversight Committee composed of the Chair, Controller, Executive Director, and all four Area Vice Chairs to review MC income and expenses in detail on a regular basis.

HOW DOES MC RELATE TO THE PARTY'S COORDINATED CAMPAIGNS WITH MULTIPLE CANDIDATES?

For reasons of efficiency, economy, and strategy, the Party can establish coordinated campaigns on behalf of multiple endorsed candidates and/or ballot measures in overlapping districts. These are usually based out of a dedicated campaign office and involve volunteer and paid canvassing and phonebanking to garner support for those campaigns and turn out Democrats to vote. The Party is in a position to harness the volunteer interest in national and statewide elections, combined with its own infrastructure and other resources, to support local campaigns. For the reasons cited above, a coordinated campaign will often involve one or more races where MC gives the Party a particularly important role to play. Other endorsed campaigns may contribute to the Party to cover expenses for the benefits they receive from a coordinated program.

WHAT ARE THE PARTY'S ADMINISTRATIVE EXPENSES FOR MC, AND HOW ARE THEY COVERED?

The Party can have a unique and decisive impact on elections through member communications, but the associated expenses for staff time and other factors are significant. These include strategy meetings, fundraising, processing contributions, reviewing and approving content, working with vendors, managing staff and independent contractors, and filing reports to political oversight agencies. Even in races involving only local campaigns, the Party's political activities fall under federal regulations requiring complex determinations and allocations of funds from multiple accounts. There are also occasional legal expenses related to MC, such as obtaining an opinion on a proposed activity or defending the Party against a complaint. In addition, MC programs can expose the Party to potential fines, or the obligation to return contributions, months or years after the campaign in question is over. For those reasons, the Party holds back a percentage of funds raised to cover current and future expenses. In most election years, the Party is able to invest a portion of the holdback on efforts that benefit all of its endorsed candidates, like slate door hangers and mail.