



To: California Democratic Party (CDP) Voter Registration Bounty Program Participants  
From: CDP Staff  
Subject: Payments for the CDP Bounty Program  
Date: May 2018

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### **Overview**

Based on guidance from the Federal Election Commission (FEC) for funds transferred to local party affiliates, the CDP Bounty Program will send two checks for each Bounty payment: one clearly marked “Federal” containing federally qualified funds, and one clearly marked “State/Levin” containing non-federal funds. This arrangement is to ensure that participating organizations deposit each check into the corresponding account.

### **Types of Funds**

**Federal Funds:** Checks labeled “Federal” may be deposited into the federal committee account or the non-federal committee account of the participating organization. These funds cannot be used for Federal Election Activity, which includes voter registration and the support or opposition of federal candidates.

**Non-Federal Funds:** Checks labeled “Restricted Use Funds for State/LF2 for Levin” are either State or Levin funds and must be deposited into the non-federal committee account of the participating organization. These funds cannot be used for Federal Election Activity, which includes voter registration and the support or opposition of federal candidates. These funds also cannot be used to contribute to state candidates or for campaign activities supporting or opposing a state candidate which are coordinated with that state candidate. However, these funds may be used to support or oppose local candidates or in independent expenditures to support or oppose state candidates, but may not be used to contribute to state candidates or for coordinated activity with state candidates.

### **Use of Funds**

As outlined above, both federal and non-federal funds generated through the CDP Bounty Program are restricted and cannot be used for any Federal Election Activity or for the benefit of any federal candidate. Additionally, the non-federal funds may not be used to contribute to state candidates or for campaign activity coordinated with state candidates.

Potential allowable uses for both the federal and non-federal funds include covering the applicable portions of operating expenses such as maintaining an office or meeting expenses. Additionally, the non-federal funds may be used for local (nonpartisan) election activities, for ballot measure activities, or for independent expenditures in support or opposition to state candidates. Please check with your organization’s legal counsel and professional treasurer to ensure all campaign finance, reporting and disclaimer laws are followed.

For more information on Federal Election Activity, please refer to the FEC’s Party Guide available at [www.fec.gov/pdf/partygui.pdf](http://www.fec.gov/pdf/partygui.pdf) and [www.fec.gov/pdf/party\\_guide\\_supp.pdf](http://www.fec.gov/pdf/party_guide_supp.pdf).

### **Questions**

If you have questions regarding the CDP Bounty Program, please contact CDP Party Resources Manager Unique Wilson at 916-503-7318 or [unique@cadem.org](mailto:unique@cadem.org).

If you have questions regarding federal and non-federal funds or Federal Election Activity, please contact CDP Director of Accounting & Campaign Compliance Chacha Guerra at 916-442-5707 or [cha2@cadem.org](mailto:cha2@cadem.org).