

Law Offices of

OLSON

HAGEL &

FISHBURN

LLP

November 19, 2009

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INITIATIVE COORDINATOR  
ATTORNEY GENERAL'S OFFICE

Office of the Attorney General  
Ms. Krystal Paris, Initiative Coordinator  
1300 I Street  
Sacramento, CA 95814

**RE: Request to Prepare Title and Summary**

Dear Ms. Paris:

This letter is to request that the Attorney General prepare a title and summary of the enclosed measure.

Please also find enclosed the statement required under Elections Code Section 9608, the address at which I am currently registered to vote, and a check payable to the State of California in the amount of \$200.00.

Please direct any inquiries regarding this request to me.

Sincerely,

**OLSON HAGEL & FISHBURN LLP**

✓ LANCE H. OLSON  
LHO/RRR/ljm

Lance H. Olson

Bruce J. Hagel

Diane M. Fishburn

Elizabeth L. Gade

Deborah B. Caplan

N. Eugene Hill

Richard C. Miadich

Richard R. Rios

Rebecca J. Olson

Christopher W. Waddell

## SECTION 1 - Findings and Declarations

The People of California find and declare that:

Corporations make political contributions and expenditures without the approval of the stockholders and owners of the corporations.

Corporations should be accountable to their stockholders and owners prior to making political contributions and expenditures.

Requiring the express approval of the stockholders and owners prior to making political contributions and expenditures will establish necessary accountability.

## SECTION 2 - Prohibition on Corporate Campaign Contributions and Expenditures

Government Code § 85300.5 added to read:

(a) Notwithstanding any other provision of law, and except as provided in subdivision (b), it is unlawful for any corporation with stockholders to directly or indirectly make any contribution or expenditure in connection with any elective office, any contribution or expenditure in connection with any ballot measure, or any contribution or expenditure for issue advocacy. It shall also be unlawful for any candidate, political committee, or other person knowingly to accept or receive any contribution or expenditure prohibited by this section, or any officer or any director of any corporation to consent to any contribution or expenditure by a corporation prohibited by this section.

(b) Prior to making any contribution or expenditure in connection with any elective office, any contribution or expenditure in connection with any ballot measure, or any contribution or expenditure for issue advocacy, the stockholders of the corporation must adopt, a valid resolution authorizing such contributions or expenditures. This resolution shall state in clear and unambiguous language the intended recipients of the contributions or expenditures, the amount of contributions or expenditures authorized, the purposes of such contributions or expenditures, and the time period within which such authority shall exist. The contemporaneous records of the resolution and vote approving such contribution or expenditure shall be maintained in the corporation's minutes.

(c) For all purposes herein, the term "corporation" means (i) any corporation with shareholders, (ii) any entity in which a corporation with shareholders has an equity interest or the ability to control or direct such entity's actions.

## SECTION 3 - Severability

It is the intent of the People that the provisions of this Act are severable and that if any provision of this Act, or the application thereof to any person or circumstances, is held invalid such invalidity shall not affect any other provision or application of this Act which can be given effect without the invalid provision or application.