

SCCA

February 2017

SOUTHERN CALIFORNIA CONTRACTORS ASSOCIATION

Volume 2 Issue 3

LEGISLATIVE COMMITTEE UPDATE

Welcome!

For those of you familiar with law enforcement or maybe served in the military, you are likely familiar with the phrase force multiplier. They are systems or programs designed to dramatically increase the effectiveness of a specific function. Close air support is a force multiplier in the military. A K9 unit or police helicopter are force multipliers in law enforcement.



Todd Bloomstine

In political terms, SCCA's Political Action Committee is a force multiplier that supports its role in influencing and forming public policy. SCCA's PAC contributes to the election of state and local policy makers.

SCCA's PAC is non-partisan. It supports policymakers that support the construction industry. Democrats, Independents and Republicans have all been recipients of SCCA PAC contributions.

You'll find a variety of articles in this newsletter covering PAC related topics. We cover the statutory contribution limits, 2016 PAC recipients, some historical importance of political action in California, a discussion on how SCCA's PAC operates, and a profile on one of the most pro-industry legislators in Sacramento.

If you find this compelling and want to continue to see SCCA support pro-construction industry candidates despite their political ilk, then I invite you to participate in SCCA's PAC Auction on Saturday, May 6th. The event will be held at the Queen Mary and promises to be a grand time!

Legislator Profile

Assemblymember Jim Frazier (D-Oakley) was first elected to the Assembly in 2012 following a robust local government career. Frazier is a former general contractor, local small business owner, and sportsman. He represents the 11th Assembly district that encompasses portions of Solano, Contra Costa, and Sacramento counties.

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Currently, Assemblymember Frazier serves as the Chair of the Assembly Transportation Committee as well as serving on the Accountability and Administrative Review, Insurance, and Veterans Affairs committees. Frazier has always been focused on transportation safety, funding, and infrastructure during his years of public service.



*Assemblymember
Jim Frazier (D-Oakley)*

This year, Assembly Leadership has identified Frazier as the lead on negotiating and (hopefully) implementing a comprehensive infrastructure funding structure to move California transportation forward. He is the author of AB 1, the current transportation proposal in the Assembly. We've discussed this proposal in past issues of the newsletter.

In response to the Governor's inclusion of transportation funding in the 2017-18 budget, Frazier said, "I am optimistic that along with the Governor and my colleagues we can move toward one comprehensive plan to fix our roads. It has been almost two years since the Legislature was challenged to create a plan that properly funds our roads, highways, and bridges. The time is now to come together on a comprehensive solution so we can keep California moving."

Frazier was named SCCA's Legislator of the Year in 2015 and supported through our PAC program.

SCCA's Political Action Committee

There's seems to be a shroud of mystery surrounding the SCCA Political Action Committee (PAC). What exactly does it do and why?

SCCA's PAC raises funds to help elect California legislators and locally elected officials that are friendly to the construction industry. Funds come from two sources — voluntary contributions during an SCCA member's renewal and an annual PAC fundraiser.

But for our direct interest, the PAC contributes to the campaigns of legislators and locally elected officials. The average contribution is approximately \$1,500 to \$2,000. The SCCA PAC members vote on every contribution proposed.

SCCA probably receives a thousand requests for contributions every year. Why so many? Well there aren't a thousand legislators in Sacramento. There are 120. Each of them have a handful of fundraisers every year. And yes, they send multiple invitations for each event.

So, what factors does SCCA consider when it contributes to a candidate's campaign? There's no single answer. But many times, it's due to a candidate's strong interest in construction. It's also due to their strong promotion of policies and agendas that support private sector job creation. And for every contribution considered, there's an analysis that shows the candidate's likelihood of

winning a race, current voter registration and key committee memberships (if the candidate is an incumbent).

It should be noted that SCCA stands out among many California interests by operating a PAC. Most in California do not. Don't quote me on the exact numbers, but I recall hearing that there are about a thousand registered special interests in California. Of those, only a hundred operate a PAC and only about fifty of them regularly make contributions.

SCCA's PAC operation truly does put it in an elite class of special interests.

All of SCCA's PAC activities are registered and reported to California's Secretary of State on a quarterly basis. PAC activity is heavily regulated by the state to ensure an honest and transparent system within our democratic government. Contributions to candidates cannot exceed \$4,400 per election cycle. Contributions to the PAC itself can't exceed \$7,300 per calendar year.

Our PAC can only be successful because of committed members that are willing to actively engage in the political process. SCCA members have the opportunity to participate by attending and supporting the PAC through our upcoming PAC Fundraiser on the Queen Mary on May 6, 2017.

The History and Importance of PAC's

A PAC's function is a time-honored tradition in the United States. It was condoned by our founding fathers, is protected by our constitution, and was upheld in our country's highest courts (most recently, through a series of decisions issued from 2010 to 2016).

Our country's Founding Fathers saw the importance of associations (they called them "interests") actively engaged in our political and government system. Shortly after the creation of the United States Constitution in 1788, some of the Founding Fathers wrote The Federalist Papers as a means to promote its ratification. In Federalist No. 10, James Madison argued that the best protection against one oppressive interest is a scheme of governance that allows for the existence of many interests:

"...the smaller the society, the fewer probably will be the distinct parties and interests comprising it; ...Extend the sphere and you take in a greater variety of parties and interests; you make it less probable that a majority of the whole will have a common motive to invade the rights of other citizens; or if such a common motive exists, it will be more difficult for all to feel it to discover their own strength and to act in unison with each other."

Trade associations and their political participation was literally anticipated by our Founding Fathers as a way to protect against a single oppressive association or interest.

Encouragement in the political process isn't only held in historical documents, though. The Supreme Court in 2010's Citizens United vs. Federal Election Commission case further solidified campaign contributions as a fundamental freedom of speech guaranteed by the First Amendment. The justices wrote:

"Because speech is an essential mechanism of democracy — it is the means to hold officials accountable to the people — political speech must prevail against laws that would suppress it by design or inadvertence."

Even today's Supreme Court justices acknowledge the importance of political contributions in our democracy by equating campaign contributions to freedom of speech.

If you want to help SCCA elect legislators and local officials that are friendly and supportive of the construction industry, or maybe you are a patriotic Madisonian that loves America, I highly encourage you to support SCCA's PAC.

Clearly it's the American thing to do. The next PAC fundraiser is scheduled for Saturday, May 6, 2017.

2016 PAC Contributions

First Name	Last Name	House	District
Dante	Acosta	Assembly	38th District (R), Santa Clarita
Travis	Allen	Assembly	72nd District (R), Huntington Beach
Catherine	Baker	Assembly	16th District (R), San Ramon
Jim	Beall	Senate	15th District (D), San Jose
Cheryl	Brown	Assembly	47th District (D), Inland Empire
	California Republican Party		
Anthony	Canella	Lt. Governor	Statewide
John	Chiang	Governor	Statewide
David	Chiu	Assembly	17th District (D), San Francisco
Jim	Cooper	Assembly	9th District (D), Elk Grove
Brian	Dahle	Assembly	1st District (R), Bieber
Beth	Gains	Senate	
Mike	Gatto	Lt. Governor	Statewide
Matthew	Harper	Assembly	74th District (R), Huntington Beach
Young	Kim	Assembly	65th District (R), Orange County
Eric	Linder	Assembly	60th District (R), Corona
Chad	Mayes	Assembly	42nd District (R), Yucca Valley
John	Moorlach	Senate	37th District (R), Costa Mesa
Mike	Morrell	Senate	23rd District (R), Rancho Cucamonga
Anthony	Rendon	Assembly	63rd District (D), Paramount
Rudy	Salas	Assembly	32nd District (D), Bakersfield
Marc	Steinorth	Assembly	40th District (R), Rancho Cucamonga
Jeff	Stone	Senate	28th District (R), Riverside
Bob	Wiekowski	Senate	10th District (D), Fremont
Scott	Wilk	Senate	21st District (R), Antelope Valley

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State PAC Contribution Limits: State Increases Contribution Limits from \$4200 to \$4400

Here in California the California Secretary of State tracks and monitors all election contributions through a reportable system that is made public and can be found on their website, www.sos.ca.gov. This year, there are new limits to contributions, which are detailed in the charts below.

It is important to note that when it comes to contributions to a candidate that the contributions are tracked on a per-election basis. The primary, general, special, and special run-off elections are all considered separate elections, allowing the same entity to contribute to each separate campaign.

2017-2018 Contribution Limits to State Candidates Per Election

Candidate or Officeholder	Contributor Sources		
	Person (individual, business entity, committee/PAC)	Small Contributor Committee (see definition below)	Political Party
Senate and Assembly	\$4,400	\$8,800	No Limit
CalPERS/CalSTRS	\$4,400	\$8,800	No Limit
Lt. Governor, Secretary of State, Attorney General, Treasurer, Controller, Supt. of Public Instruction, Insurance Commissioner, and Board of Equalization	\$7,300	\$14,600	No Limit
Governor	\$29,200	\$29,200	No Limit

2017-2018 Contribution Limits to Other State Committees Per Calendar Year

Committee	Contributor Sources
	Person (individual, business entity, committee/PAC)
Committee (PAC), other than a Political Party, that Contributes to State Candidates	\$7,300
Political Party Account for State Candidates	\$36,500
Small Contributor Committee	\$200
Committee Account NOT for State Candidates (Ballot Measure, PAC, Political Party)	No Limit*

*State committees (including political parties and PACs) may receive contributions in excess of the limits identified above as long as the contributions are NOT used for state candidate contributions. (Regulation 18534)

Save the Date

SCCA PAC AUCTION & CASINO NIGHT

Saturday, May 6, 2017

5:30pm-11:30pm

QUEEN MARY

1126 Queens Way, Long Beach, CA 90802

HELP SUPPORT THE SCCA PAC

Donate • Sponsor

Attend • Bid!

