

COMMITTEE ON NATURAL RESOURCES
Disclosure Form
As required by and provided for in House Rule XI, clause 2(g) and
the Rules of the Committee on Natural Resources

Oversight hearing on *“The Endangered Species Act: How Litigation is Costing Jobs and Impeding True Recovery Efforts.”*

For Individuals:

1. Name:
2. Address:
3. Email Address:
4. Phone Number:

* * * * *

For Witnesses Representing Organizations:

1. Name: Brandon M. Middleton, Staff Attorney, Environmental Practice Group, Pacific Legal Foundation
2. Name of Organization(s) You are Representing at the Hearing: Pacific Legal Foundation
3. Business Address: [Information redacted for privacy]
4. Business Email Address: [Information redacted for privacy]
5. Business Phone Number: [Information redacted for privacy]

Brandon M. Middleton

The Endangered Species Act: How Litigation Is Costing Jobs and Impeding True Recovery Efforts, December 6, 2011

a. Any training or educational certificates, diplomas or degrees or other educational experiences that are relevant to your qualifications to testify on or knowledge of the subject matter of the hearing.

J.D. 2007 - Ohio State University, Moritz College of Law

b. Any professional licenses, certifications, or affiliations held that are relevant to your qualifications to testify on or knowledge of the subject matter of the hearing.

Member of California State Bar

c. Any employment, occupation, ownership in a firm or business, or work-related experiences that relate to your qualifications to testify on or knowledge of the subject matter of the hearing.

N/A

d. Any federal grants or contracts (including subgrants or subcontracts) from the Department of the Interior (and/or other agencies invited) that you have received in the current year and previous four years, including the source and the amount of each grant or contract.

N/A

e. A list of all lawsuits or petitions filed by you against the federal government in the current year and the previous four years, giving the name of the lawsuit or petition, the subject matter of the lawsuit or petition, and the federal statutes under which the lawsuits or petitions were filed.

Stewart & Jasper Orchards v. Salazar, No. 1:09-cv-00892 (E.D. Cal. filed May 21, 2009); challenging the Service's delta smelt BiOp and resulting water restrictions; Endangered Species Act

North Sacramento Land Co. v. Salazar, No. 2:11-cv-00943 (E.D. Cal. filed Apr. 8, 2011); delisting petition for the valley elderberry longhorn beetle; Endangered Species Act

f. Any other information you wish to convey that might aid the Members of the Committee to better understand the context of your testimony.

Brandon M. Middleton, *Restoring Tradition: The Inapplicability of TVA v. Hill's Endangered Species Act Injunctive Relief Standard to Preliminary Injunctive Relief of Non-Federal Actors*, 17 Mo. Env'tl. L. & Pol'y Rev. 318 (2010)

Brandon M. Middleton, Pacific Legal Foundation

The Endangered Species Act: How Litigation Is Costing Jobs and Impeding True Recovery Efforts, December 6, 2011

In addition, for witnesses representing organizations:

g. Any offices, elected positions, or representational capacity held in the organization(s) on whose behalf you are testifying.

N/A

h. Any federal grants or contracts (including subgrants or subcontracts) from the Department of the Interior (and /or other agencies invited) that were received in the current year and previous four years by the organization(s) you represent at this hearing, including the source and amount of each grant or contract for each of the organization(s).

N/A

i. A list of all lawsuits or petitions filed by the organization(s) you represent at the hearing against the federal government in the current year and the previous four years, giving the name of the lawsuit or petition, the subject matter of the lawsuit or petition, and the federal statutes under which the lawsuits or petitions were filed for each of the organization(s).

See Attachment i.

j. A list of any countries from which the organization(s) you represent at the hearing have received foreign donations and the total amount of donations received from each country, for the current year and the previous four years, by each organization.

N/A

k. For tax-exempt organizations and non-profit organizations, copies of the three most recent public IRS Form 990s (including Form 990-PF, Form 990-N, and Form 990-EZ) for each of the organization(s) you represent at the hearing (not including any contributor names and addresses or any information withheld from public inspection by the Secretary of the Treasury under 26 U.S.C. 6104)).

See attached Tax Returns for 2008, 2009, and 2010.

Return of Organization Exempt From Income TaxUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

2010Open to Public
Inspection**A** For the 2010 calendar year, or tax year beginning and ending**B** Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

C Name of organization

PACIFIC LEGAL FOUNDATION

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address)

3900 LENNANE DRIVE

Room/suite

200

City or town, state or country, and ZIP + 4

SACRAMENTO, CA 95834

F Name and address of principal officer: ROBIN L. RIVETT

3900 LENNANE DRIVE, SUITE 200, SACRAMENTO, CA

D Employer identification number

94-2197343

E Telephone number

916-419-7111

G Gross receipts \$ 14,742,497.**H(a)** Is this a group return

for affiliates?

☐ Yes☒ No**H(b)** Are all affiliates included? ☐ Yes ☐ No

If "No," attach a list. (see instructions)

H(c) Group exemption number ▶**I** Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: PACIFICLEGAL.ORG**K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation: 1973 **M** State of legal domicile: CA**Part I Summary**

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: PUBLIC INTEREST LAW-PROVIDE LEGAL REPRESENTATION FOR CITIZENS ON MATTERS OF PUBLIC INTEREST AT		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	20
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	20
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	57
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	2,798.
7b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 10,449,939.	Current Year 14,135,538.
	9 Program service revenue (Part VIII, line 2g)	793,358.	157,688.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	285,127.	387,625.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	162,767.	14,431.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	11,691,191.	14,695,282.
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	2,500.
14 Benefits paid to or for members (Part IX, column (A), line 4)		0.	0.
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		5,099,340.	5,046,208.
16a Professional fundraising fees (Part IX, column (A), line 11e)		106,507.	127,286.
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,479,702.			
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)		2,201,614.	2,027,881.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)		7,409,961.	7,201,375.
19 Revenue less expenses. Subtract line 18 from line 12		4,281,230.	7,493,907.
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 18,065,705.	End of Year 27,203,311.
	21 Total liabilities (Part X, line 26)	2,122,052.	2,058,276.
	22 Net assets or fund balances. Subtract line 21 from line 20	15,943,653.	25,145,035.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer		Date
	ROBIN L. RIVETT, PRESIDENT & CEO		
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date
	LINDA L. HOUSE, CPA		
	Firm's name ▶ CAMPBELL TAYLOR & COMPANY	Firm's EIN ▶	
	Firm's address ▶ 3741 DOUGLAS BLVD, SUITE 350 ROSEVILLE, CA 95661	Phone no. (916) 929-3680	

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

☒ X

- 1 Briefly describe the organization's mission:

PLF'S MISSION (ESTABLISHED IN 1973) IS TO BE AMERICA'S PREEMINENT DEFENDER OF FREEDOM IN COURTS THROUGHOUT THE NATION. PLF HAS A LONG TRADITION OF CONVERTING THE PHILANTHROPY OF EVERY DAY AMERICANS INTO LEGAL PRECEDENTS SAFEGUARDING THE FREEDOMS OF ALL AMERICANS. AS THEIR

- 2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

- 3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

- 4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses.

Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

- 4a (Code:) (Expenses \$ 3,889,654. including grants of \$) (Revenue \$ 184,136.)
 LEGAL PROGRAM: DURING 2010, PLF WORKED ON OVER 230 CASES. THE FOLLOWING ARE HIGHLIGHTS OF LITIGATION ACTIVITIES DURING THE YEAR:

PROPERTY RIGHTS LITIGATION

(VICTORY 7/25/11) STERLING V. CALIFORNIA COASTAL COMMISSION - TWICE THE CALIFORNIA COASTAL COMMISSION HAS TRIED TO IMPOSE ILLEGAL CONDITIONS ON DAN AND DENISE STERLING'S PLAN TO BUILD A HOME ON THEIR PROPERTY NEAR HALF MOON BAY AND TWICE THE COMMISSION HAS LOST. IN THE FIRST GO-AROUND THE SAN MATEO COUNTY SUPERIOR COURT RULED THE COMMISSION'S ATTEMPT TO REQUIRE THE STERLINGS TO DEDICATE AN AGRICULTURAL EASEMENT TO THE STATE, REQUIRING 143 ACRES OF THEIR LAND TO BE FARMED FOREVER,

- 4b (Code:) (Expenses \$ 1,002,197. including grants of \$) (Revenue \$)
 PUBLIC EDUCATION: IN 2010, PLF USED A COMPREHENSIVE PROGRAM OF FOCUSED MEDIA RELATIONS, WEB ENHANCEMENTS, AND DIRECT PUBLIC OUTREACH. BELOW ARE SOME OF THE HIGHLIGHTS:

MEDIA RELATIONS: PLF CONTINUES TO BE THE LEADING SOURCE OF NEWS AND INFORMATION TO THE NEWS MEDIA. PLF ISSUED MORE THAN 60 NEWS RELEASES DURING THE YEAR AND OUR ATTORNEYS WERE FREQUENTLY SOUGHT OUT BY REPORTERS AND PRODUCERS AS DEMONSTRATED BY THE FOLLOWING MEDIA RESULTS:

- 4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

- 4d Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

- 4e Total program service expenses 4,891,851.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	X	
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	X	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	X	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H		X
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

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Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?		X
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	X	

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Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	18	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	57	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	X	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	X	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

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Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

☒**Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	20	
b Enter the number of voting members included in line 1a, above, who are independent	20	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	X	
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6 Does the organization have members or stockholders?		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Does the organization have local chapters, branches, or affiliates?		X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13 Does the organization have a written whistleblower policy?		X
14 Does the organization have a written document retention and destruction policy?	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	X	
b Other officers or key employees of the organization	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed: **CA, AK, AZ, FL, HI, IL, KS, MD, MA, MI, MN, NJ**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☒ Own website ☐ Another's website ☐ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **PACIFIC LEGAL FOUNDATION - 916-419-7111**
3900 LENNANE DRIVE, SUITE 200, SACRAMENTO, CA 95834

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response to any question in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
ROBIN L. RIVETT PRESIDENT & CEO	37.50	X		X				261,191.	0.	36,231.
JAMES S BURLING DIRECTOR OF LITIGATION & A	37.50	X		X				191,716.	0.	14,039.
JAMES L. CLOUD TRUSTEE	1.00	X						0.	0.	0.
JOHN C. HARRIS CHAIR OF THE BOARD	1.00	X		X				0.	0.	0.
LEONARD S FRANK SECRETARY-TREASURER	1.00	X		X				0.	0.	0.
RICHARD R ALBRECHT TRUSTEE	1.00	X						0.	0.	0.
THOMAS G. BOST VICE CHAIR	1.00	X		X				0.	0.	0.
GREG M. EVANS TRUSTEE	1.00	X						0.	0.	0.
RICHARD GEARY TRUSTEE	1.00	X						0.	0.	0.
TIMOTHY R. HALL TRUSTEE	1.00	X						0.	0.	0.
GEORGE KIMBALL TRUSTEE	1.00	X						0.	0.	0.
LORRAINE O. LEGG TRUSTEE	1.00	X						0.	0.	0.
WARNER C. LUSARDI TRUSTEE	1.00	X						0.	0.	0.
APRIL J MORRIS TRUSTEE	1.00	X						0.	0.	0.
JERRY W.P. SCHAUFFLER TRUSTEE	1.00	X						0.	0.	0.
BRUCE C. SMITH TRUSTEE	1.00	X						0.	0.	0.
CHARLES W. TRAINOR TRUSTEE	1.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
RONALD E VAN BUSKIRK TRUSTEE	1.00	X						0.	0.	0.
DONALD JOE WILLIS TRUSTEE	1.00	X						0.	0.	0.
H. DIXON MONTAGUE TRUSTEE	1.00	X						0.	0.	0.
JEFFREY E. WARREN TRUSTEE	1.00	X						0.	0.	0.
AMY B BOULRIS TRUSTEE	1.00	X						0.	0.	0.
SHARON L. BROWNE ATTORNEY	37.50				X			171,553.	0.	14,124.
M. REED HOPPER ATTORNEY	37.50				X			137,046.	0.	11,501.
MERIE HUBBARD ATTORNEY	37.50				X			131,338.	0.	15,964.
R.S. RADFORD ATTORNEY	37.50				X			148,966.	0.	12,621.
1b Sub-total								1,041,810.	0.	104,480.
c Total from continuation sheets to Part VII, Section A								249,682.	0.	15,740.
d Total (add lines 1b and 1c)								1,291,492.	0.	120,220.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **12**

- 3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3		X
4	X	
5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
BLV AGRIBUSINESS, 2945 CANONITA DRIVE, FALLBROOK, CA 92028-8771	PUBLIC RELATIONS	127,286.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **1**

SEE PART VII, SECTION A CONTINUATION SHEETS

Form 990 (2010)

Part VII

Total to Part VII, Section A, line 1c	249,682.	15,740.
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Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1 a Federated campaigns	1a	13,905,274.				
	b Membership dues	1b					
	c Fundraising events	1c	230,264.				
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f					
	g Noncash contributions included in lines 1a-1f: \$		5094060.				
h Total. Add lines 1a-1f				14,135,538.			
Program Service Revenue	2 a COURT AWARDED ATTY FEE	Business Code	541100	157,688.	157,688.		
	b						
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f			157,688.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			387,625.			387,625.
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross Rents	(i) Real	(ii) Personal				
	b Less: rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss)						
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	b Less: cost or other basis and sales expenses						
	c Gain or (loss)						
	d Net gain or (loss)						
	8 a Gross income from fundraising events (not including \$ 230,264. of contributions reported on line 1c). See Part IV, line 18	a		32,400.			
	b Less: direct expenses	b		47,215.			
	c Net income or (loss) from fundraising events			-14,815.			-14,815.
	9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances	a						
b Less: cost of goods sold	b						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue							
11 a OTHER	Business Code	541100	26,448.	26,448.			
b BOOK SALES		900099	2,798.		2,798.		
c							
d All other revenue							
e Total. Add lines 11a-11d			29,246.				
12 Total revenue. See instructions.			14,695,282.	184,136.	2,798.	372,810.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	503,177.	349,676.	34,712.	118,789.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	3,786,322.	2,917,803.	271,631.	596,888.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	120,801.	71,633.	26,443.	22,725.
9 Other employee benefits	328,198.	199,554.	72,343.	56,301.
10 Payroll taxes	307,710.	199,675.	48,983.	59,052.
11 Fees for services (non-employees):				
a Management				
b Legal	89,481.		70,585.	18,896.
c Accounting	64,194.		64,194.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17	127,286.			127,286.
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses	78,506.	10,436.	46,323.	21,747.
14 Information technology				
15 Royalties				
16 Occupancy	572,910.	436,862.	40,932.	95,116.
17 Travel	74,222.	29,692.	12,257.	32,273.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	7,091.	4,876.	1,228.	987.
20 Interest	592.	452.	42.	98.
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	94,113.	71,764.	6,724.	15,625.
23 Insurance	68,556.	39,412.	28,831.	313.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a PRINTING & PUBLICATIONS	349,058.	234,186.	1,276.	113,596.
b POSTAGE & SHIPPING	229,573.	53,044.	15,628.	160,901.
c EQUIPMENT & RENTAL	83,761.	63,871.	5,984.	13,906.
d LITIGATION EXPENSE	74,663.	74,663.		
e TELEPHONE	69,511.	52,925.	4,959.	11,627.
f All other expenses	171,650.	81,327.	76,747.	13,576.
25 Total functional expenses. Add lines 1 through 24f	7,201,375.	4,891,851.	829,822.	1,479,702.
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	1,203,399.	1	921,886.
	2 Savings and temporary cash investments	62,918.	2	150,249.
	3 Pledges and grants receivable, net	1,394,860.	3	984,795.
	4 Accounts receivable, net	143,422.	4	123,375.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	97,206.	9	96,746.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1,479,201.		
	b Less: accumulated depreciation	10b 1,336,215.	10c	142,986.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11	11,131,241.	12	21,025,785.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	3,816,014.	15	3,757,489.
16 Total assets. Add lines 1 through 15 (must equal line 34)	18,065,705.	16	27,203,311.	
Liabilities	17 Accounts payable and accrued expenses	138,363.	17	114,191.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D	1,983,689.	25	1,944,085.
	26 Total liabilities. Add lines 17 through 25	2,122,052.	26	2,058,276.
	Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
27 Unrestricted net assets		11,421,373.	27	20,665,335.
28 Temporarily restricted net assets		3,714,500.	28	3,592,891.
29 Permanently restricted net assets		807,780.	29	886,809.
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
30 Capital stock or trust principal; or current funds			30	
31 Paid-in or capital surplus, or land, building, or equipment fund			31	
32 Retained earnings, endowment, accumulated income, or other funds			32	
33 Total net assets or fund balances		15,943,653.	33	25,145,035.
34 Total liabilities and net assets/fund balances	18,065,705.	34	27,203,311.	

Form 990 (2010)

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	14,695,282.
2	Total expenses (must equal Part IX, column (A), line 25)	2	7,201,375.
3	Revenue less expenses. Subtract line 2 from line 1	3	7,493,907.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	15,943,653.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	1,707,475.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	25,145,035.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

☒

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b Were the organization's financial statements audited by an independent accountant?	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

Form 990 (2010)

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number
94-2197343

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.	
---	--

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f ☐ If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box _____

g ☐ Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? _____

(ii) A family member of a person described in (i) above? _____

(iii) A 35% controlled entity of a person described in (i) or (ii) above? _____

h ☐ Provide the following information about the supported organization(s).

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

[illegible]

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2010

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	7,668,905.	7,286,951.	8,421,307.	10,449,939.	14,208,074.	48,035,176.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	7,668,905.	7,286,951.	8,421,307.	10,449,939.	14,208,074.	48,035,176.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						8,120,534.
6 Public support. Subtract line 5 from line 4.						39,914,642.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	7,668,905.	7,286,951.	8,421,307.	10,449,939.	14,208,074.	48,035,176.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	143,228.	400,468.	278,561.	285,127.	387,625.	1,495,009.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	23,214.	43,565.	54,079.	182,367.	29,246.	332,471.
11 Total support. Add lines 7 through 10						49,862,656.
12 Gross receipts from related activities, etc. (see instructions)					12	2,955,142.

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	80.05	%
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	90.51	%
16a 33 1/3% support test - 2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input checked="" type="checkbox"/>			
b 33 1/3% support test - 2009. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
17a 10% -facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
b 10% -facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>			

Schedule A (Form 990 or 990-EZ) 2010

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2010.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization. ▶ ☐

b **33 1/3% support tests - 2009.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization. ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions. ▶ ☐

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number

94-2197343

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1

(ii) Assets included in Form 990, Part X

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1

b Assets included in Form 990, Part X

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition
 b ☐ Scholarly research
 c ☐ Preservation for future generations
 d ☐ Loan or exchange programs
 e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	11,060,311.	4,880,134.	5,696,799.		
b Contributions	8,334,807.	5,210,277.	733,778.		
c Net investment earnings, gains, and losses	1,826,579.	1,195,879.	-1,274,821.		
d Grants or scholarships					
e Other expenditures for facilities and programs	798,415.	225,979.	275,622.		
f Administrative expenses					
g End of year balance	20,423,282.	11,060,311.	4,880,134.		

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ☐ %
 b Permanent endowment ☐ %
 c Term endowment ☐ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other		1,479,201.	1,336,215.	142,986.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				142,986.

Schedule D (Form 990) 2010

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) MUTUAL FUNDS PRIMARILY		
(B) INVESTED IN DEBT & EQUITY		
(C) SECURITIES	18,126,966.	END-OF-YEAR MARKET VALUE
(D) MONEY MARKET ACCOUNTS	2,302,821.	END-OF-YEAR MARKET VALUE
(E) CORPORATE BONDS	340,007.	END-OF-YEAR MARKET VALUE
(F) GOVERNMENTAL BONDS &		
(G) SECURITIES	255,991.	END-OF-YEAR MARKET VALUE
(H)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶	21,025,785.	

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) CSV LIFE INSURANCE	22,050.
(2) DEPOSITS, STOCK RECEIVABLE & MISC.	52,639.
(3) CHARITABLE REMAINDER TRUST ASSETS	2,964,192.
(4) OTHER TRUST ASSETS	718,608.
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶	3,757,489.

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) OTHER LIABILITIES	183,436.
(3) PENSION PLAN ACCRUAL	529,549.
(4) ACCRUED EXPENSES	319,347.
(5) LIABILITY UNDER UNITRUST	911,753.
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶	1,944,085.

FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	14,695,282.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	7,201,375.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	7,493,907.
4	Net unrealized gains (losses) on investments	4	1,395,421.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	312,054.
9	Total adjustments (net). Add lines 4 through 8	9	1,707,475.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	9,201,382.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	16,490,108.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	1,395,421.
b	Donated services and use of facilities	2b	40,136.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	359,269.
e	Add lines 2a through 2d	2e	1,794,826.
3	Subtract line 2e from line 1	3	14,695,282.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	14,695,282.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	7,288,726.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	40,136.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	47,215.
e	Add lines 2a through 2d	2e	87,351.
3	Subtract line 2e from line 1	3	7,201,375.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	7,201,375.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART XI, LINE 8 - OTHER ADJUSTMENTS:

SFAS NO.247 ADJUSTMENT FOR SPLIT INTEREST AGREEMENTS 312,054.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

CHANGE IN VALUE OF SPLIT INTEREST AGREEMENTS 312,054.

FUNDRAISING EVENT EXPENSES 47,215.

TOTAL TO SCHEDULE D, PART XII, LINE 2D 359,269.

Part XIV Supplemental Information (continued)

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

FUNDRAISING EVENT EXPENSES

47,215.

PUBLIC COPY

Department of the Treasury
Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19,
or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open To Public Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number
94-2197343

Part I

Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.
- | | |
|---|--|
| a <input checked="" type="checkbox"/> Mail solicitations | e <input type="checkbox"/> Solicitation of non-government grants |
| b <input type="checkbox"/> Internet and email solicitations | f <input type="checkbox"/> Solicitation of government grants |
| c <input checked="" type="checkbox"/> Phone solicitations | g <input checked="" type="checkbox"/> Special fundraising events |
| d <input checked="" type="checkbox"/> In-person solicitations | |
- 2 a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☒ Yes ☐ No
- b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
BLV AGRIBUSINESS CONSULTANTS - 2945 CANONITA DRIVE,	PERSONAL CONTACT WITH INDIVIDUALS		X	870,014.	127,286.	742,728.
Total				870,014.	127,286.	742,728.

- 3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

AL, AK, AZ, AR, CA, CO, CT, DE, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO
MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY
DC

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

	(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))
	HARRIS (event type)	DEL MAR (event type)	1 (total number)	
Revenue				
1 Gross receipts	210,789.	48,375.	3,500.	262,664.
2 Less: Charitable contributions	182,989.	43,775.	3,500.	230,264.
3 Gross income (line 1 minus line 2)	27,800.	4,600.		32,400.
Direct Expenses				
4 Cash prizes				
5 Noncash prizes				
6 Rent/facility costs				
7 Food and beverages				
8 Entertainment				
9 Other direct expenses	36,467.	7,258.	3,490.	47,215.
10 Direct expense summary. Add lines 4 through 9 in column (d)				(47,215)
11 Net income summary. Combine line 3, column (d), and line 10				-14,815.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

	(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue				
1 Gross revenue				
Direct Expenses				
2 Cash prizes				
3 Noncash prizes				
4 Rent/facility costs				
5 Other direct expenses				
6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7 Direct expense summary. Add lines 2 through 5 in column (d)				()
8 Net gaming income summary. Combine line 1, column d, and line 7				

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain: _____

- 11 Does the organization operate gaming activities with nonmembers? ☐ Yes ☐ No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No
- 13 Indicate the percentage of gaming activity operated in:
- | | | |
|-------------------------------|-----|---|
| a The organization's facility | 13a | % |
| b An outside facility | 13b | % |
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____.
- c If "Yes," enter name and address of the third party:

Name ▶ _____

Address ▶ _____

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions:

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Supplemental information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE G, PART I, LINE 2B, LIST OF TEN HIGHEST PAID FUNDRAISERS:

(I) NAME OF FUNDRAISER: BLV AGRIBUSINESS CONSULTANTS

(I) ADDRESS OF FUNDRAISER: 2945 CANONITA DRIVE, FALLBROOK, CA 92028-8771

SCHEDULE G, PART I, LINE 2B, COLUMN (V): CONTRACTED AT AN HOURLY RATE FOR SERVICES UP TO A MAXIMUM CHARGE IN ANY ONE MONTH. MISCELLANEOUS COSTS WILL BE REIMBURSED.

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

10. State any assistance to governments and organizations in the United States. Complete the organization-answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000.

[illegible]

Enter total number of section 501(c)(3) and government organizations

Enter total number of other organizations

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

94-2197343

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

[illegible]

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number
94-2197343

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|--|--|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

a Receive a severance payment or change-of-control payment from the organization or a related organization?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization?

b Any related organization?

If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?

b Any related organization?

If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

9

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2010

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 ROBIN L. RIVETT	(i)	261,191.	0.	0.	25,490.	10,741.	297,422.
	(ii)	0.	0.	0.	0.	0.	0.
2 JAMES S BURLING	(i)	191,716.	0.	0.	3,605.	10,434.	205,755.
	(ii)	0.	0.	0.	0.	0.	0.
3 SHARON L. BROWNE	(i)	171,553.	0.	0.	3,418.	10,706.	185,677.
	(ii)	0.	0.	0.	0.	0.	0.
4 R.S. RADFORD	(i)	148,966.	0.	0.	2,963.	9,658.	161,587.
	(ii)	0.	0.	0.	0.	0.	0.
5	(i)						
	(ii)						
6	(i)						
	(ii)						
7	(i)						
	(ii)						
8	(i)						
	(ii)						
9	(i)						
	(ii)						
10	(i)						
	(ii)						
11	(i)						
	(ii)						
12	(i)						
	(ii)						
13	(i)						
	(ii)						
14	(i)						
	(ii)						
15	(i)						
	(ii)						
16	(i)						
	(ii)						

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

PART I, LINE 4B: ROBIN RIVETT, PRESIDENT & CEO, SUPPLEMENTAL LIFE

INSURANCE \$1,700 AND SUPPLEMENTAL PENSION OF \$20,920.

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Noncash Contributions

► Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
► Attach to Form 990.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

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94-2197343

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	20	5,094,060.	NYSE MARKET VALUE
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (WINE & FOOD F)	X	6	40,136.	MARKET VALUE
26 Other ► ()				
27 Other ► ()				
28 Other ► ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

b If "Yes," describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

b If "Yes," describe in Part II.

33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.

	Yes	No
30a		X
31	X	
32a		X
33		

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) (2010)

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

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FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

ALL LEVELS OF THE ADMINISTRATIVE AND JUDICIAL PROCESS.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

LEGAL ADVOCATE IN THE COURTS, PLF VIGOROUSLY DEFENDS PROPERTY RIGHTS,
INDIVIDUAL AND ECONOMIC LIBERTIES, AND THE CONSTITUTIONAL GUARANTEES OF
LIMITED GOVERNMENT. WHEN GOVERNMENT-AT ANY LEVEL- EXCEEDS ITS
ENUMERATED POWERS AND ABRIDGES THE CONSTITUTIONAL RIGHTS OF CITIZENS,
PLF COMES TO THEIR AID. LITIGATING FOR PRINCIPLE, NOT PROFIT, PLF
RESTORES PEOPLE'S INDIVIDUAL RIGHTS, AND SETS LASTING LEGAL PRECEDENTS
TO RESTORE GOVERNMENT TO ITS PROPER ROLE.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

CONSTITUTED AN UNCONSTITUTIONAL TAKING. AFTER A SETTLEMENT WAS
PROPOSED AND THEN REJECTED BY THE COMMISSION, REGULATORS IMPOSED A
BROAD OPEN SPACE DEED RESTRICTION. PLF FILED A NEW PETITION FOR WRIT
OF MANDATE ALLEGING THE SECOND CONDITION WAS ALSO UNCONSTITUTIONAL AND
ILLEGAL AND, AGAIN, THE COURT HELD THAT THE COMMISSION'S DEMANDS WERE
UNCONSTITUTIONAL.

(VICTORY 3/29/11) LUHRS V. WHATCOM COUNTY - A DECADE-LONG STRUGGLE BY
LUMMI ISLAND RESIDENT VICKI LUHRS HAS ENDED WITH A SETTLEMENT WITH THE
COUNTY THAT ALLOWS HER TO BUILD A REVETMENT TO PROTECT HER HOME AGAINST
SHORELINE EROSION. PLF ATTORNEYS CAME TO HER DEFENSE AND WON A MAJOR
VICTORY AT THE WASHINGTON COURT OF APPEALS IN SEPTEMBER, 2009. HER

CASE WAS REMANDED BACK TO THE TRIAL COURT WITH AN ORDER THAT LUHRS BE

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Schedule O (Form 990 or 990-EZ) (2010)

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ALLOWED TO DEMONSTRATE HER CONTENTION THAT SHE NEEDS A ROCK REVETMENT TO PROTECT HER HOME. WITH THE RECENT SETTLEMENT, LUHRS HAS COMPLETED CONSTRUCTION OF HER REVETMENT, STOPPING A DECADE OF EROSION THAT CONSUMED SEVERAL FEET OF HER PROPERTY.

(VICTORY 1/31/11) - IN FRIENDS OF THE SAN JUANS V. HUGHES, AN ENVIRONMENTAL GROUP TRIED TO STOP PROPERTY OWNER CHRIS HUGHES FROM BUILDING A SINGLE-FAMILY DOCK AT HIS PROPERTY ON PEARL ISLAND, WASHINGTON. THE GROUP ALLEGED THAT HUGHES' DOCK WOULD DESTROY EELGRASS BEDS, YET FRIENDS WAS UNABLE TO PRESENT CONCLUSIVE EVIDENCE SHOWING THE EXTENT OF EELGRASS DECLINE THAT THE DOCK WOULD CAUSE. NEVERTHELESS, THE SHORELINES HEARINGS BOARD VACATED HUGHES' PERMIT TO CONSTRUCT THE DOCK. PLF SUBMITTED AN AMICUS BRIEF IN THE WASHINGTON COURT OF APPEALS ARGUING THAT IT WAS UNLAWFUL FOR THE BOARD TO VACATE HUGHES' PERMIT BASED ON INSUFFICIENT EVIDENCE OF SPECULATIVE HARM. IN OUR VIEW, THE BOARD HAD INAPPROPRIATELY SHIFTED THE BURDEN OF PROOF, REQUIRING HUGHES TO PROVE AN ABSENCE OF HARM, RATHER THAN REQUIRING FRIENDS TO PROVE THE HARM THEY ALLEGED. THE COURT AGREED WITH PLF'S ARGUMENTS, AND HUGHES NOW IS FREE TO BUILD HIS DOCK.

(VICTORY 12/17/10) - PLF ATTORNEYS, REPRESENTING THE BUILDING INDUSTRY ASSOCIATION OF THE BAY AREA, CLAIMED VICTORY OVER A SANTA ROSA, CALIFORNIA, ORDINANCE THAT FORCED PROPERTY OWNERS INTO JOINING A SPECIAL TAX DISTRICT. SUPERIOR COURT JUDGE MARK TANSIL STRUCK DOWN THE CITY'S ATTEMPT TO IMPOSE A TAX ON LANDOWNERS WITHOUT A VOTE AS REQUIRED BY THE CALIFORNIA CONSTITUTION. SANTA ROSA'S ORDINANCE ATTEMPTED TO IMPOSE A TAX ON PROPERTY OWNERS WHO SEEK TO BUILD NEW HOMES, BY REQUIRING THEM - AS A CONDITION OF A BUILDING PERMIT - TO AGREE TO BE

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ANNEXED INTO A SPECIAL TAX DISTRICT FOR PUBLIC SERVICES. THE COURT AGREED THAT SANTA ROSA VIOLATED ARTICLE XIII(A) OF THE CALIFORNIA CONSTITUTION.

(VICTORY 12/10/10) - A FLORIDA CIRCUIT COURT JUDGE RULED THAT TOWN OFFICIALS OF JUPITER INLET COLONY IN SOUTH FLORIDA CANNOT USE THE TOWN'S 2008 LAND USE PROVISIONS TO BAR HOMEOWNERS FROM USING THEIR RESIDENTIAL PROPERTY AS SHORT-TERM VACATION RENTALS. CITING CODE PROVISIONS, THE CITY HAD ISSUED CITATIONS AGAINST ALEXANDER AND HOLLY BONDAR FOR RENTING OUT THEIR HOME TO VACATIONERS FOR SHORT TERMS, TYPICALLY A WEEK TO 30 DAYS. PLF ATTORNEYS CHALLENGED THE CITATIONS, AND THE COURT NOW RULED THAT THE LAND USE PROVISIONS IN EFFECT IN 2008 DID NOT INCLUDE A PROHIBITION ON SHORT-TERM RENTALS. ALTHOUGH THE CITY'S LAND USE CODES HAVE SINCE BEEN CHANGED, THE RULING EFFECTIVELY "GRANDFATHERS IN" THE BONDARS, WHO CAN CONTINUE TO RENT THEIR HOME FOR SHORT TERMS TO VACATIONERS. PLF BELIEVES THE RULING MAY BE CITED BY OTHER HOMEOWNERS WHO ALSO WERE RENTING THEIR PROPERTIES ON A SHORT-TERM BASIS, WHILE THE 2008 PROVISIONS WERE IN EFFECT, TO CONTINUE SUCH RENTALS.

(VICTORY 11/24/10) THE OREGON COURT OF APPEALS RULED IN FAVOR OF A PROPERTY OWNER WHO APPEALED AN AIRPORT COMPATIBILITY ZONE ORDINANCE IMPOSED BY THE CITY OF HILLSBORO. AS AMICUS, PLF ARGUED IN SUPPORT OF MICHELLE BARNES WHO OBJECTED TO THE ORDINANCE WHICH REQUIRED THE OWNERS OF PROPERTY NEAR THE HILLSBORO AIRPORT TO GRANT AN AVIGATION EASEMENT AS A CONDITION OF DEVELOPMENT. THE APPELLATE COURT RULING AFFIRMED THE DECISION BY THE OREGON LAND USE BOARD OF APPEALS TO INVALIDATE THE AVIGATION EASEMENT CONDITION ON THE BASIS OF THE PRECEDENT SET BY PLF

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IN NOLLAN V. CALIFORNIA COASTAL COMMISSION AND ANOTHER MAJOR PROPERTY RIGHTS RULING IN DOLAN V. CITY OF TIGARD.

(VICTORY 11/5/10) - RULING IN THE PLF CASE OF SEVERANCE V. PATTERSON, THE TEXAS SUPREME COURT REJECTED THE STATE'S CLAIM THAT BEACH EASEMENTS "ROLL" WITH THE VEGETATION LINE. THIS MAJOR PROPERTY RIGHTS VICTORY FOR PLF CLIENT CAROL SEVERANCE AND OTHER COASTAL LANDOWNERS MEANS THE STATE CANNOT USE THE TEXAS OPEN BEACHES ACT -A 50-YEAR-OLD LAW- TO SEIZE PRIVATE BEACH LAND AND HOMES FOR A "PUBLIC" BEACH WHEN STORMS BLOW AWAY THE VEGETATION OR MOVE THE VEGETATION LINE LANDWARD. A REHEARING OF THE CASE WAS GRANTED BY THE TEXAS SUPREME COURT AND A DECISION IS EXPECTED SOON.

(VICTORY 10/25/10) - THE WASHINGTON COURT OF APPEALS, IN A FAVORABLE DECISION TO UPHOLD THE TAKINGS CLAIM OF PROPERTY OWNERS KIPP AND MARILYN DUNLAP, UPHELD A TRIAL COURT RULING THAT FOUND THE CITY OF NOOKSACK'S ACTION RESULTED IN A TOTAL TAKING UNDER LUCAS V. SOUTH CAROLINA COASTAL COUNCIL. CITY OFFICIALS DEEMED LAND ADJACENT TO THE DUNLAPS' PROPERTY AN ENVIRONMENTAL SENSITIVE AREA AND OFF-LIMITS TO DEVELOPMENT WITHOUT A VARIANCE. RESPONDING TO THE DUNLAPS' REQUEST TO BUILD ON THEIR LOT, CITY REGULATORS SAID THEY WOULD ONLY CONSIDER GRANTING A VARIANCE IF THE OWNERS REDESIGNED THEIR HOME TO BE TRIANGULAR IN SHAPE, RAISED ON STILTS, AND HAVE A FLOOR AREA OF NO MORE THAN 480 SQUARE-FEET. PLF ATTORNEYS, SUPPORTING THE DUNLAPS' CASE AS AMICUS, ARGUED THAT THE TRIAL COURT CORRECTLY CONCLUDED THAT THE CITY'S APPLICATION OF STREAM BUFFERS RESULTED IN A LUCAS TOTAL TAKING.

(VICTORY 9/2/10) - THE WASHINGTON SUPREME COURT, IN FITZPATRICK V.

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OKANOGAN COUNTY, RULED FOR PROPERTY OWNERS - SIBLINGS HEATHER FITZPATRICK STURGILL AND DON L. FITZPATRICK - WHOSE HOME WAS DESTROYED AS A RESULT OF A GOVERNMENT-BUILT FLOOD CONTROL PROJECT ON THE METHOW RIVER. AT THE TIME THE PROJECT WAS BUILT, THE GOVERNMENT WAS ADVISED BY ITS EXPERTS THAT BY DIKING FLOOD OVERFLOW CHANNELS, THE GOVERNMENT WAS PUTTING DOWNSTREAM PROPERTIES AT RISK. SEVERAL YEARS LATER, THE RIVER OVERFLOWED ITS BANKS, AVULSED, AND DESTROYED THE FITZPATRICKS' HOME. THEY SUED FOR INVERSE CONDEMNATION. IN A 7-2 DECISION, THE SUPREME COURT HELD THAT A PLAINTIFF NEED NOT PROVE THAT THE GOVERNMENT CONTEMPLATED CONDEMNING HIS OR HER PROPERTY AS AN ELEMENT OF AN INVERSE CONDEMNATION CLAIM. INSTEAD A PLAINTIFF NEED ONLY SHOW THAT THE DAMAGE WAS NECESSARILY INCIDENT TO THE GOVERNMENT ACTION.

(VICTORY 6/22/10) KLUMPP V. BOROUGH OF AVALON - THE NEW JERSEY SUPREME COURT RULED IN FAVOR OF EDWARD AND NANCY KLUMPP, ENDORSING PLF'S AMICUS BRIEF ARGUMENT THAT THEY ARE ENTITLED TO JUST COMPENSATION FOR THE TAKING OF THEIR PROPERTY. THE KLUMPPS LOST THEIR HOME IN A 1962 STORM WHICH CAUSED SUBSTANTIAL DAMAGE ALL ALONG THE NEW JERSEY SHORELINE, BUT THEY WERE DENIED ACCESS TO THE PROPERTY AFTER LOCAL OFFICIALS ENTERED THE PROPERTY AND DUMPED SAND TO RENOURISH DUNES. A TRIAL COURT HELD THAT THE BOROUGH "TOOK" THE PROPERTY BY INVERSE CONDEMNATION IN 1962 WITH THE CONSTRUCTION OF THE DUNES, AND THE KLUMPPS WERE TIME-BARRED FROM SEEKING JUST COMPENSATION.

(MIXED DECISION 6/17/10) STOP THE BEACH RENOURISHMENT V. FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION - UNITED STATES SUPREME COURT RULED AGAINST THE RIGHTS OF COASTAL PROPERTY OWNERS IN DESTIN, FLORIDA, WHO BECAME ENTANGLED IN A GOVERNMENT PLAN TO RECLAIM PRIVATELY OWNED

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BEACHES FROM ADVANCING TIDES BY DUMPING SAND ON THEM. GOVERNMENT OFFICIALS DECLARED THE "RECREATED" BEACH TO BE, ESSENTIALLY, A PUBLIC ZONE FROM WHICH OWNERS HAD NO RIGHT TO EXCLUDE ANYONE. THE OWNERS, WHO DIDN'T REQUEST THE SAND BE DUMPED ON THEIR PROPERTY, VIEWED THE RENOURISHMENT PLAN AS MERELY A SCHEME FOR THE CITY OF DESTIN AND WALTON COUNTY TO CONVERT PRIVATE PROPERTY INTO A NEW PUBLIC BEACH. THE SILVER LINING IN THE DECISION IS THE FACT THAT FOUR OF THE JUSTICES ACKNOWLEDGED THAT COURTS ARE SUBJECT TO THE FIFTH AMENDMENT, AND CAN BE FOUND TO COMMIT A "TAKING" IF THEY REDEFINE PRIVATE PROPERTY RIGHTS OUT OF EXISTENCE.

FORM 990, PART III, LINE 4A, DESCRIPTION OF PROGRAM SERVICE:

(VICTORY 5/19/10) LEU V. INTERNATIONAL BOUNDARY COMMISSION - NINTH CIRCUIT RULED AGAINST DENNIS SCHORNACK'S CHALLENGE TO HIS DISMISSAL AS COMMISSIONER OF THE INTERNATIONAL BOUNDARY COMMISSION. THE RULING PRESERVES THE RIGHTS OF PLF CLIENTS HERBERT AND SHIRLEY-ANN LEU TO KEEP A WALL THEY ERECTED IN THEIR BACKYARD IN BLAINE, WASHINGTON, THAT SCHORNACK WANTED TORN DOWN BECAUSE IT SUPPOSEDLY ENCROACHED ON AN UNDEFINED "BOUNDARY VISTA." THE EMBATTLED SCHORNACK SOUGHT REVIEW AT THE UNITED STATES SUPREME COURT, BUT HE WAS DENIED.

(VICTORY 5/12/10) DEPARTMENT OF AGRICULTURE & CONSUMER SERVICES V. BORGOFF - FLORIDA COURT OF APPEAL RULED THAT THE STATE'S DELIBERATE DESTRUCTION OF MORE THAN 100,000 HEALTHY CITRUS TREES, BELONGING TO OVER 50,000 FLORIDIANS, WAS AN UNCOMPENSATED TAKING IN VIOLATION OF THE FIFTH AMENDMENT. PLF ATTORNEYS FILED AN AMICUS BRIEF SUPPORTING THE BROWARD COUNTY HOMEOWNERS WHO BROUGHT THE LAWSUIT.

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(NEW CASE) SDS FAMILY TRUST V. CALIFORNIA COASTAL COMMISSION - PLF ATTORNEYS REPRESENT THREE SISTERS WHO OWN LAND THROUGH A FAMILY TRUST ESTABLISHED BY THEIR LATE FATHER. THEY SEEK PERMISSION FOR SOME BASIC REPAIR WORK ON THEIR PROPERTY NEAR CAYUCOS IN AN UNINCORPORATED AREA OF SAN LUIS OBISPO COUNTY, BUT THE COMMISSION IS WITHHOLDING PERMIT APPROVAL UNTIL THEY AGREE GIVING THE STATE A PUBLIC EASEMENT 25- TO 50- FEET WIDE RUNNING THE ENTIRE LENGTH OF THE PROPERTY. PLF ATTORNEYS CONTEND THE COMMISSION'S ACTIONS AMOUNT TO AN UNCONSTITUTIONAL TAKING BECAUSE THE PROPOSED REPAIRS WOULD HAVE NO IMPACT ON THE PUBLIC, OR ON EXISTING ACCESS TO NEIGHBORING PUBLIC AREAS, SUCH AS HARMONY HEADLANDS STATE PARK.

ENVIRONMENTAL REGULATIONS/ESA LITIGATION

(REVIEW ACCEPTED 6/28/11) THE UNITED STATES SUPREME COURT HAS GRANTED REVIEW IN SACKETT V. UNITED STATES EPA, A MAJOR CHALLENGE TO THE FEDERAL GOVERNMENT'S AUTHORITY UNDER THE CLEAN WATER ACT. MICHAEL AND CHANTELL SACKETT WANT TO BUILD A HOME NEAR PRIEST LAKE, IDAHO, WITHIN AN EXISTING RESIDENTIAL SUBDIVISION. AFTER OBTAINING ALL LOCAL BUILDING PERMITS AND COMPLETING DUE DILIGENCE CHECKS, THE SACKETTS BEGAN CONSTRUCTION OF THEIR HOME IN THE SPRING OF 2007. SHORTLY THEREAFTER EPA AGENTS CAME ONTO THEIR PROPERTY AND ORDERED THEM TO CEASE AND DESIST, CLAIMING THAT THEIR PROPERTY CONTAINED WETLANDS AND THAT THE SACKETTS HAD TO OBTAIN A PERMIT FROM THE EPA BEFORE PROCEEDING WITH THEIR CONSTRUCTION.

IN NOVEMBER OF THAT YEAR, EPA ISSUED A COMPLIANCE ORDER AGAINST THE SACKETTS, REQUIRING THE SACKETTS TO RESTORE THE PROPERTY, FENCE IT OFF,

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AND LEAVE IT UNTOUCHED FOR THREE YEARS, JUST TO BE ELIGIBLE TO APPLY FOR A PERMIT. IF THEY DIDN'T COMPLY IMMEDIATELY, THEY WOULD BE SUBJECT TO DAILY FINES OF UP TO \$32,500. THE SACKETTS ASKED THE AGENCY FOR A HEARING TO DISPUTE ITS JURISDICTION OVER THEIR PROPERTY, BUT EPA IGNORED THEM. PLF HAS FILED A LAWSUIT ON THE SACKETTS' BEHALF, ARGUING THAT THE CONSTITUTION REQUIRES EPA TO GIVE THE SACKETTS THEIR DAY IN COURT. NOW, THEIR DAY IN COURT WILL COME AT THE UNITED STATES SUPREME COURT.

(VICTORY 2/3/11) - THE CLEAN WATER ACT REQUIRES STATES TO DESIGNATE RIVERS AND CREEKS AS "IMPAIRED" IF THEIR WATER QUALITY FALLS BELOW SPECIFIED STANDARDS. EVEN THOUGH LANDOWNERS AROUND REDWOOD CREEK IN NORTHERN CALIFORNIA HAVE SPENT YEARS GATHERING EVIDENCE THAT THE CREEK IS NOT POLLUTED WITH SEDIMENT AND FISH REPRODUCTION IS AT NORMAL LEVELS, STATE OFFICIALS HAVE DECLARED IT "IMPAIRED," AND THE ENVIRONMENTAL PROTECTION AGENCY (EPA) SIGNED OFF ON THAT RULING. BARNUM TIMBER, A SMALL FAMILY-RUN TIMBER BUSINESS, BROUGHT SUIT AGAINST THE STATE'S RULING IN STATE COURT, BUT THE ACTION WAS DISMISSED ON THE GROUNDS THAT THE EPA SHOULD HAVE BEEN A PARTY. PLF REPRESENTS BARNUM IN A FEDERAL COURT CHALLENGE TO THE "IMPAIRED" DESIGNATION BY BOTH FEDERAL AND STATE OFFICIALS. THE NINTH CIRCUIT COURT OF APPEALS ISSUED A FAVORABLE DECISION IN BARNUM TIMBER V. EPA, STATING THAT BARNUM DOES HAVE STANDING TO CHALLENGE THE DESIGNATION OF A CREEK AS IMPAIRED. THE CASE IS REMANDED BACK TO THE DISTRICT COURT. THE DECISION IS AN IMPORTANT ONE FOR PROPERTY OWNERS THROUGHOUT THE WEST WHO NOW STAND A BETTER CHANCE OF GETTING A FEDERAL COURT TO HEAR THEIR CHALLENGES TO ONEROUS ENVIRONMENTAL REGULATIONS THAT REDUCE THE VALUE OF THEIR PROPERTY.

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(VICTORY 1/19/11) FAVORABLE SETTLEMENT OF A PLF LAWSUIT SEVERAL YEARS AGO COMPELLED THE UNITED STATES FISH AND WILDLIFE SERVICE TO CONDUCT MANDATORY FIVE-YEAR STATUS REVIEWS FOR MORE THAN 100 THREATENED OR ENDANGERED SPECIES IN THE STATE OF CALIFORNIA. AFTER THE COMPLETION OF STATUS REVIEWS FOR SOME SPECIES IN 2007 AND 2008, THE SERVICE CONCLUDED THAT SIX SPECIES, AMONG OTHERS, SHOULD BE RECLASSIFIED. HOWEVER, AS IS ITS PRACTICE, THE SERVICE TOOK NO ACTION ON ITS OWN RECOMMENDATIONS. IN MAY, 2010, PACIFIC LEGAL FOUNDATION PETITIONED THE SERVICE TO RECLASSIFY THE SIX SPECIES (ONE FISH SPECIES AND FIVE PLANT SPECIES). IN JANUARY, 2011, THE SERVICE ISSUED A FINDING THAT THE PETITION MAY BE WARRANTED AND HAS BEGUN A NEW REVIEW OF THE SPECIES WHICH WILL BE CONCLUDED WITHIN 12 MONTHS.

(VICTORY 12/14/10) STEWART & JASPER V. SALAZAR - FEDERAL JUDGE OLIVER WANGER OF THE EASTERN DISTRICT OF CALIFORNIA ISSUED HIS LONG-AWAITED RULING IN THE CONSOLIDATED DELTA SMELT CASES, A LEGAL CHALLENGE TO THE UNITED STATES FISH AND WILDLIFE SERVICE'S DELTA SMELT BIOLOGICAL OPINION. JUDGE WANGER HELD THE DELTA SMELT "BIOP" TO BE INVALID, VIOLATING THE ENDANGERED SPECIES ACT AND ADMINISTRATIVE PROCEDURE ACT. HE ALSO HELD THAT CERTAIN SPECIFIC WATER PUMPING RESTRICTIONS ARE ARBITRARY AND CAPRICIOUS. IN THIS CHALLENGE TO THE DELTA SMELT BIOP, PLF ATTORNEYS REPRESENT THREE SAN JOAQUIN VALLEY FARMERS WHO HAVE BEEN SIGNIFICANTLY IMPACTED BY THE WATER CUTBACKS THAT RESULTED FROM THE DELTA SMELT BIOLOGICAL OPINION. WANGER NOTED THAT THE GOVERNMENT FAILED TO CONSIDER THE DEVASTATING ECONOMIC IMPACTS CREATED BY DRACONIAN WATER CUTBACKS. CERTIORARI PETITION FILED IN THE UNITED STATES SUPREME COURT ON JUNE 21, 2011.

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(VICTORY 9/29/10) NEW HOPE POWER COMPANY V. UNITED STATES ARMY CORPS OF ENGINEERS - PLF ATTORNEYS WERE JUST DAYS FROM FILING A MOTION TO PARTICIPATE IN A SIMILAR CASE (AMERICAN FARM BUREAU FEDERATION V. CORPS) WHEN THIS CASE WAS FAVORABLY DECIDED BY A FLORIDA JUDGE. THE ISSUE CONCERNS AN ABRUPT CHANGE BY THE CORPS IN 2009 TO REGULATE ANY SO-CALLED "PRIOR-CONVERTED" CROPLANDS - MORE THAN 53 MILLION ACRES OF LAND IN THE NATION. FOR DECADES, THE CORPS HAS EXEMPTED FROM FEDERAL CLEAN WATER ACT SECTION 404 REGULATION WETLANDS THAT HAVE BEEN PUT TO AGRICULTURAL USE PRIOR TO 1986. IN 1993, THE CORPS ISSUED FORMAL RULE MAKING THAT STATED THESE WETLANDS WOULD CONTINUE TO BE EXEMPT FROM FEDERAL REGULATION UNLESS THE WETLANDS WERE ABANDONED AND THE AREA REGAINED ITS WETLAND FEATURES. IN COURT, THE CORPS CLAIMED THE CHANGE WAS JUST AN INTERNAL POLICY SHIFT, BUT THE JUDGE DETERMINED THE POLICY SHIFT WAS A COMPLETE RULE CHANGE THAT SHOULD HAVE BEEN SUBJECTED TO PUBLIC REVIEW. THE JUDGE INVALIDATED THE ILLEGAL RULE AND DIRECTED THE CORPS TO USE THE FORMAL RULEMAKING PROCESS IF IT WANTS TO ADOPT THE NEW POLICY.

(VICTORY 9/22/10) BROWN V. ADAMS - PRESSURE FROM A PLF LAWSUIT FORCED THE CALIFORNIA AIR RESOURCES BOARD (CARB) TO REPLACE MEMBERS OF A SCIENCE REVIEW PANEL WHO HAD OVERSTAYED THEIR THREE-YEAR TERMS. THE MAJORITY OF MEMBERS HAD SERVED FOR MORE THAN A DECADE UNTIL PLF, ACTING ON BEHALF OF SEVERAL BUSINESSES, CHALLENGED THE AGENCY. PLF'S ACTION IS SIGNIFICANT BECAUSE THE PANEL OF SCIENTIFIC EXPERTS IS GIVEN RESPONSIBILITY TO REVIEW ANY CARB PROPOSAL TO LABEL A SUBSTANCE IN THE AIR AS A TOXIC AIR CONTAMINANT. SUCH DESIGNATIONS ARE HIGHLY SIGNIFICANT, BECAUSE CARB CAN FOLLOW UP WITH REGULATIONS ON ECONOMIC

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ACTIVITY THAT GENERATES THE SUBSTANCE.

(VICTORY 9/13/10) STRAHAN V. HOLMES - A YOUNG ENVIRONMENTAL ACTIVIST SUED A COMMERCIAL LOBSTER FISHERMAN, DANIEL HOLMES, IN MASSACHUSETTS UNDER THE ENDANGERED SPECIES ACT AFTER THE FISHERMAN'S GEAR ACCIDENTALLY BECAME ENTANGLED WITH AN ENDANGERED WHALE. RICHARD MAX STRAHAN BROUGHT SUIT AGAINST HOLMES UNDER THE ESA, ARGUING THAT HOLMES HAD ILLEGALLY TAKEN AN ENDANGERED SPECIES AND THAT HOLMES' COMMERCIAL FISHING OPERATION SHOULD BE ENJOINED. DESPITE THE ACCIDENTAL NATURE OF THE 2006 INCIDENT AND EVEN THOUGH THE WHALE WAS QUICKLY FREED AND ABLE TO SWIM AWAY, THE DISTRICT COURT CONCLUDED THAT HOLMES VIOLATED THE ESA BY TAKING A WHALE. THE COURT, HOWEVER, REFUSED TO ENJOIN HOLMES DUE TO THE HARM IT WOULD CAUSE TO HIS LIVELIHOOD AND THE UNLIKELIHOOD THAT THIS SORT OF ACCIDENT WOULD HAPPEN AGAIN. STRAHAN APPEALED TO THE FIRST CIRCUIT IN EARLY 2009, AND PLF FILED AN AMICUS BRIEF IN SUPPORT OF HOLMES. BUT STRAHAN FAILED SEVERAL TIMES TO COMPLY WITH COURT-ORDERED DEADLINES, AND THE FIRST CIRCUIT FINALLY HAD ENOUGH AND DISMISSED STRAHAN'S APPEAL.

FORM 990, PART III, LINE 4A, DESCRIPTION OF PROGRAM SERVICE:

(VICTORY 6/21/10) MONSANTO CO. V. GEERTSON SEED FARMS - THE UNITED STATES SUPREME COURT, IN A 7-1 DECISION, REVERSED THE NINTH CIRCUIT AND OVERTURNED A NATIONWIDE INJUNCTION THAT HAD PROHIBITED USE OF ROUNDUP READY ALFALFA, A GENETICALLY ENHANCED PRODUCT, PENDING COMPLETION OF A NEW ENVIRONMENTAL IMPACT STATEMENT UNDER THE NATIONAL ENVIRONMENTAL POLICY ACT (NEPA). PLF'S AMICUS BRIEF ARGUED THAT THE TRADITIONAL REQUIREMENTS FOR INJUNCTIVE RELIEF SHOULD APPLY AS MUCH WITH NEPA AS IN OTHER LEGAL CONTEXTS.

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(VICTORY 6/10/10) GREAT NORTHWEST, INC. V. UNITED STATES ARMY CORPS OF ENGINEERS - A FEDERAL COURT RULED THAT THE CLEAN WATER ACT DOES NOT EMPOWER FEDERAL REGULATORS TO MICROMANAGE PRIVATE PROPERTY BELONGING TO THE GREAT NORTHWEST, INC., A GRAVEL MINING OPERATION IN FAIRBANKS, ALASKA. REPRESENTED BY PLF ATTORNEYS, GREAT NORTHWEST CHALLENGED THE ARMY CORPS OF ENGINEERS' CLAIM THAT IT HAD JURISDICTION TO OVERSEE AND DICTATE THE COMPANY'S MAINTENANCE OF ITS OWN PRIVATE PROPERTY, WHICH INCLUDES SOME WETLANDS ACREAGE.

(VICTORY 6/1/10) BEC V. USACE - NINTH CIRCUIT RULED IN FAVOR OF FEDERAL AND LOCAL GOVERNMENT AGENCIES AND AGAINST AN ENVIRONMENTAL GROUP THAT WANTED TO STOP A REDDING BUSINESS PARK PROJECT. PLF FILED AN AMICUS BRIEF IN SUPPORT OF THE FEDERAL GOVERNMENT AGENCIES AND THE CITY OF REDDING, ARGUING THAT THE UNITED STATES ARMY CORPS OF ENGINEERS FULFILLED ITS RESPONSIBILITY UNDER FEDERAL LAW.

(VICTORY 5/18/10) SAN LUIS & DELTA-MENDOTA WATER AUTHORITY V. LOCKE - FAVORABLE OPINION FROM DISTRICT COURT FINDING NEPA AND BEST AVAILABLE SCIENCE VIOLATIONS. AS AMICUS, PLF ARGUED TO OVERTURN THE NATIONAL MARINE FISHERIES SERVICE'S JUNE 4, 2009, BIOLOGICAL OPINION THAT SEVERELY RESTRICTS WATER SUPPLIES TO SAN JOAQUIN VALLEY FARMERS FOR THE BENEFIT OF THE SACRAMENTO RIVER WINTER-RUN CHINOOK SALMON, THE CENTRAL VALLEY SPRING-RUN CHINOOK SALMON, THE CENTRAL VALLEY STEELHEAD, THE CENTRAL CALIFORNIA COAST STEELHEAD, THE SOUTHERN DISTINCT POPULATION OF NORTH AMERICAN GREEN STURGEON, AND THE SOUTHERN RESIDENT KILLER WHALES.

ANTIDISCRIMINATION LITIGATION

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(NEW CHALLENGE FILED 7/21/11) PACIFIC LEGAL FOUNDATION HAS SUED THE U.S. DEPARTMENT OF EDUCATION OVER DOE POLICY GUIDELINES THAT ACTIVISTS ARE USING TO PROMOTE SEX-BASED QUOTAS IN PUBLIC HIGH SCHOOL ATHLETIC PROGRAMS. TITLE IX DOES NOT REQUIRE SEX-BASED QUOTAS IN HIGH SCHOOL SPORTS, BUT IN RECENT YEARS, FEDERAL POLICY GUIDELINES ON TITLE IX HAVE MADE VAGUE REFERENCES TO HIGH SCHOOLS IN A WAY THAT ALLOWS PRO-QUOTA ACTIVISTS TO MISINTERPRET AND MISUSE TITLE IX AND WRONGLY DEMAND THAT HIGH SCHOOLS INSTITUTE QUOTA POLICIES.

PLF ATTORNEYS REPRESENT THE AMERICAN SPORTS COUNCIL (ASC, FORMERLY KNOWN AS THE COLLEGE SPORTS COUNCIL), A NATIONAL COALITION OF COACHES, ATHLETES, PARENTS, AND FANS DEVOTED TO PRESERVING AND PROMOTING THE STUDENT ATHLETE EXPERIENCE. IN 2007, PLF ATTORNEYS, ON BEHALF OF ASC, FORMALLY PETITIONED DOE TO REVISE OR REPEAL THE GUIDELINES BECAUSE THEY DO NOT MAKE IT CLEAR THAT TITLE IX IS NOT A QUOTA MANDATE FOR HIGH SCHOOLS. THE AGENCY REFUSED. PLF'S LAWSUIT ARGUES THAT THE AGENCY ACTED ARBITRARILY AND CAPRICIOUSLY WHEN IT DENIED THE 2007 PETITION, AND THAT IT MUST AMEND, CLARIFY, OR REPEAL ITS GUIDELINES THAT ARE BEING USED BY ACTIVISTS TO PROMOTE SEX-BASED QUOTAS IN HIGH SCHOOLS.

(VICTORY 12/8/10) COALITION TO DEFEND AFFIRMATIVE ACTION V.

SCHWARZENEGGER - SAN FRANCISCO-BASED FEDERAL JUDGE SAMUEL CONTI DISMISSED A LAWSUIT BY ACTIVIST GROUPS THAT CHALLENGED THE CONSTITUTIONALITY OF PROPOSITION 209 AND SOUGHT TO REINTRODUCE RACE-BASED PREFERENCES TO THE UNIVERSITY OF CALIFORNIA ADMISSIONS PROCESS. JUDGE CONTI SIDED WITH PLF ATTORNEYS, WHO INTERVENED IN THE CASE TO DEFEND PROPOSITION 209 ON BEHALF OF THE AMERICAN CIVIL RIGHTS

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FOUNDATION AND SACRAMENTO BUSINESSMAN AND FORMER UC REGENT WARD
CONNERLY, WHO LED THE 1996 CAMPAIGN THAT WON APPROVAL FOR PROPOSITION
209 AT THE POLLS.

(VICTORY 8/25/10) AMERICAN CIVIL RIGHTS FOUNDATION V. LOS ANGELES
UNIFIED SCHOOL DISTRICT - SETTLEMENT WAS REACHED IN RESPONSE TO A
PROPOSITION 209 LAWSUIT BY PLF ATTORNEYS. THE LOS ANGELES UNIFIED
SCHOOL DISTRICT (LAUSD) HAS RESCINDED ITS POLICY OF RACE-BASED
DISCRIMINATION IN TEACHER ASSIGNMENT. PLF'S LAWSUIT TARGETED LAUSD'S
POLICY OF RACIAL DISCRIMINATION AND PREFERENCES IN TEACHER PLACEMENT
DECISIONS. SPECIFICALLY, THE DISTRICT'S "TEACHER INTEGRATION TRANSFER
PROGRAM" REQUIRED THE RACE OF A TEACHER TO BE CONSIDERED FOR ANY
DECISION ABOUT A TEACHER'S ASSIGNMENT, DISPLACEMENT, OR TRANSFER.

(VICTORY 8/2/10) CORAL CONSTRUCTION, INC. V. CITY AND COUNTY OF SAN
FRANCISCO - THE CALIFORNIA SUPREME COURT REJECTED SAN FRANCISCO'S
ATTEMPT TO GET PROPOSITION 209 DECLARED UNCONSTITUTIONAL AND IN SUPPORT
OF PLF'S LAWSUIT AGAINST SAN FRANCISCO'S RACE- AND SEX-BASED QUOTAS IN
PUBLIC CONTRACTING. THE SUPREME COURT REJECTED THE CITY'S CONTENTION
THAT PROPOSITION 209 VIOLATES THE UNITED STATES CONSTITUTION BY
ALLEGEDLY TARGETING MINORITY GROUPS AND LIMITING THEIR ABILITY TO
VINDICATE THEIR RIGHTS.

(PARTIAL VICTORY 7/22/10) H. B. ROWE, INC. V. TIPPETT - THE FOURTH
CIRCUIT HELD THAT NORTH CAROLINA DEPARTMENT OF TRANSPORTATION'S
PREFERENCE PROGRAM IS UNCONSTITUTIONAL AS APPLIED TO ASIAN, HISPANIC,
AND WOMEN BUSINESSES; BUT IS CONSTITUTIONAL AS TO AFRICAN AMERICAN AND
NATIVE AMERICAN BUSINESSES. PLF ATTORNEYS REPRESENTED H. B. ROWE CO.,

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INC., A FAMILY-OWNED ROAD CONSTRUCTION BUSINESS IN NORTH CAROLINA, THAT SUBMITTED THE LOW BID ON A STATE FUNDED ROAD CONSTRUCTION PROJECT. BUT THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION REJECTED ROWE'S LOW BID BECAUSE IT FAILED TO MEET THE QUOTA OR DEMONSTRATE GOOD FAITH EFFORTS TO OBTAIN THE PREDESIGNATED LEVEL OF MINORITY PARTICIPATION.

(VICTORY 7/2/10) WARD CONNERLY AND AMERICAN CIVIL RIGHTS FOUNDATION V. SCHWARZENEGGER, ET. AL. - A SACRAMENTO COUNTY SUPERIOR COURT JUDGE RULED THAT THE CALIFORNIA LEGISLATURE VIOLATED THE STATE CONSTITUTION BY TRYING TO BRING BACK RACE- AND SEX-BASED PARTICIPATION QUOTAS IN STATE CONTRACTING. SUPERIOR COURT JUDGE PATRICK MARLETTE STRUCK DOWN KEY PROVISIONS OF AB 21, A QUOTA LAW PASSED BY THE LEGISLATURE AND SIGNED BY GOVERNOR ARNOLD SCHWARZENEGGER AS PART OF THE 2010 STATE BUDGET PACKAGE ENACTED LAST JULY.

INDIVIDUAL RIGHTS/FREE ENTERPRISE

(VICTORY 6/23/11) IMS HEALTH V. SORRELL - THE SUPREME COURT STRUCK DOWN A VERMONT LAW THAT DISCRIMINATED AGAINST THE FIRST AMENDMENT FREE SPEECH RIGHTS OF PHARMACEUTICAL AND INFORMATION COMPANIES. THE VERMONT LAW HAD PREVENTED THOSE COMPANIES - BUT NOT OTHER RESEARCHERS - FROM USING INFORMATION ABOUT DRUG PRESCRIPTIONS FOR THEIR MARKETING AND PROMOTIONAL PURPOSES. THE COURT WAS PARTICULARLY CONCERNED THAT THE LAW DISCRIMINATED AGAINST THE COMPANIES BASED ON THE CONTENT OF THE SPEECH AND THE PARTICULAR SPEAKERS - THE PHARMACEUTICAL COMPANIES. THE COURT EMPHASIZED THAT TO THE AVERAGE PERSON, THE FREE FLOW OF COMMERCIAL SPEECH CAN BE JUST AS IMPORTANT AS POLITICAL SPEECH -

ESPECIALLY IN THE FIELDS OF MEDICINE AND PUBLIC HEALTH WHERE THE FREE

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FLOW OF INFORMATION CAN SAVE LIVES. FOR THAT REASON, RESTRICTIONS ON COMMERCIAL SPEECH, NO LESS THAN POLITICAL SPEECH, ARE ENTITLED TO CLOSE JUDICIAL REVIEW (HEIGHTENED SCRUTINY) TO ASSESS THEIR CONSTITUTIONALITY.

(VICTORY 6/20/11) - IN AEP V. CONNECTICUT, THE SUPREME COURT ISSUED ITS DECISION IN THIS GLOBAL WARMING NUISANCE LAWSUIT THAT PRESENTED IMPORTANT QUESTIONS ON THE ROLE OF THE FEDERAL JUDICIARY IN GREENHOUSE GAS REGULATION. PLF FILED A BRIEF IN THE CASE ARGUING THAT THE FEDERAL JUDICIARY COULD NOT HEAR THE PLAINTIFFS' PUBLIC NUISANCE CLAIMS BROUGHT AGAINST SEVERAL POWER COMPANIES, BECAUSE THOSE PLAINTIFFS LACKED STANDING TO SUE, AND BECAUSE THE LAWSUITS BOILED DOWN TO A POLITICAL QUESTION. THE COURT RULED 8-0 THAT CONGRESS HAD "DISPLACED," THROUGH THE CLEAN AIR ACT, WHATEVER FEDERAL COMMON LAW OF PUBLIC NUISANCE GOVERNING GLOBAL WARMING THAT MIGHT OTHERWISE BE AVAILABLE TO THE PLAINTIFFS. THE COURT REMANDED THE CASE TO THE SECOND CIRCUIT FOR A DETERMINATION WHETHER THE PLAINTIFFS COULD PROCEED WITH THEIR STATE LAW PUBLIC NUISANCE CLAIMS.

(VICTORY 6/20/11) - THE SUPREME COURT'S DECISION IN DUKES V. WAL-MART MARKS A MAJOR VICTORY FOR WAL-MART, FOR CONSUMERS, AND FOR THE MANY WOMEN WHO DEPEND ON WAL-MART FOR JOBS AND A LIVELIHOOD. PLF FILED A FRIEND OF THE COURT BRIEF IN THE CASE AS IT ALSO DID IN THE NINTH CIRCUIT. THE CASE IS ABOUT THE RULES FOR CLASS ACTION LAWSUITS ALLEGING DISCRIMINATION. THE NINTH CIRCUIT ALLOWED THE CASE TO PROCEED AS ONE LAWSUIT EVEN THOUGH THE CLASS OF WOMEN PLAINTIFFS ALL ALLEGE VERY DIFFERENT INJURIES - AND EVEN THOUGH WAL-MART DOESN'T HAVE ANY DISCRIMINATORY EMPLOYMENT POLICY. PLF ARGUED IN THE BRIEF THAT THERE

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ARE PERFECTLY GOOD REASONS FOR WAL-MART TO NOT HAVE A SINGLE POLICY, BUT INSTEAD TO RELY ON THE DECISIONS OF LOCAL MANAGERS WHO KNOW THEIR STORES, CUSTOMERS, AND EMPLOYEES BETTER. THE SUPREME COURT AGREED WITH THAT VIEW.

FORM 990, PART III, LINE 4A, DESCRIPTION OF PROGRAM SERVICE:

(VICTORY 6/9/11) THE WASHINGTON SUPREME COURT IN AN 8-1 DECISION IN ROE V. TELETECH HELD THAT A MEDICAL MARIJUANA PATIENT COULD NOT STATE A PRIVATE CAUSE OF ACTION FOR WRONGFUL TERMINATION IF SHE WAS FIRED FOR FAILING A DRUG TEST AT WORK. THE COURT HELD THAT THE MEDICAL MARIJUANA STATUTE, WHICH PROVIDES IMMUNITY FROM CRIMINAL PROSECUTION FOR POSSESSION AND USE OF MARIJUANA WITH A PRESCRIPTION, DOES NOT REQUIRE EMPLOYERS TO HIRE OR EMPLOY WORKERS WHO TEST POSITIVE FOR MARIJUANA, REGARDLESS OF THEIR LEGAL ACQUISITION OF THE DRUG UNDER THE STATUTE. PLF ATTORNEYS FILED AN AMICUS BRIEF, WHICH WAS QUOTED AT LENGTH BY THE COURT, ON THE QUESTION OF WHETHER THE STATUTORY LANGUAGE, WHICH EXPLICITLY SAYS THAT EMPLOYERS NEED NOT TOLERATE "ON-SITE" MARIJUANA USE, IMPLIES THAT EMPLOYERS MUST TOLERATE OFF-SITE USE.

(CORRECTIVE LEGISLATION VETOED 7/8/11) PLF ATTORNEYS PLAN TO REVIVE THEIR CHALLENGE TO MISSOURI'S LICENSING LAW IN MUNIE V. SKOUBY AFTER MISSOURI GOVERNOR JAY NIXON VETOED A BILL THAT WOULD HAVE ABOLISHED THE GOVERNMENT-PROTECTED CARTEL FOR MAJOR MOVING COMPANIES. PLF ATTORNEYS REPRESENT MICHAEL MUNIE, OWNER OF ABC MOVING, AN ESTABLISHED BUSINESS THAT HAD A LICENSE TO MOVE GOODS FROM HIS HOME BASE IN ST. LOUIS TO OTHER STATES, BUT A STATE LICENSING LAW REQUIRED MUNIE TO APPLY FOR A PERMIT TO MOVE GOODS WITHIN THE STATE. HIS APPLICATION WAS SUBJECT TO APPROVAL BY LARGE, EXISTING MOVING COMPANIES, SO PLF SUED THE STATE ON

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HIS BEHALF. THIS CASE PROMPTED STATE LAWMAKERS TO DRAFT CORRECTIVE LEGISLATION, BUT UNFORTUNATELY THE GOVERNOR VETOED THE BILL DUE TO PROVISIONS THAT WERE UNRELATED TO THE LICENSING RESTRICTIONS ISSUE.

(VICTORY 5/10/11) THE THIRD APPELLATE DISTRICT COURT IN SACRAMENTO SIDED WITH THE SACRAMENTO BEE'S REQUEST TO HAVE PUBLIC ACCESS TO PENSION INFORMATION ABOUT MEMBERS OF THE SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM. THE PENSION FUND MUST TURN OVER PENSION DATA. THE FUND FOUGHT THE DECISION AND EVENTUALLY LOST A COURT DECISION IN SACRAMENTO SUPERIOR COURT. THE PENSION THEN APPEALED THE TRAIL COURT TO THE APPELLATE COURT TO OVERTURN THE DECISION. THE SACRAMENTO BEE AND THE FIRST AMENDMENT COALITION SOUGHT THE INFORMATION TO RESEARCH INSTANCES OF PENSION SPIKING, DOUBLE- AND TRIPLE-DIPPING AND OTHER ACTION THAT CAN ESCALATE RETIREE BENEFITS. PLF ATTORNEYS SUPPORTED THE PLAINTIFFS' ARGUMENTS THAT CITIZENS HAVE THE RIGHT TO KNOW HOW THEIR TAX DOLLARS ARE BEING SPENT.

(VICTORY 4/27/11) AT&T MOBILITY V. CONCEPCION - THE UNITED STATES SUPREME COURT REVERSED A NINTH CIRCUIT RULING THAT APPLIED CALIFORNIA LAW TO VOID CONTRACTS REQUIRING CONSUMERS TO ARBITRATE THEIR DISPUTES ON AN INDIVIDUAL BASIS, RATHER THAN AS A "CLASS ARBITRATION" OR CLASS ACTION IN COURT, WHEN PURSUING CONSUMER COMPLAINTS. THE COURT HELD THAT THE FEDERAL ARBITRATION ACT CONTROLS IN SUCH CASES, SETTING FORTH A "NATIONAL POLICY FAVORING ARBITRATION." PLF ATTORNEYS CALLED THE RULING ".... A GREAT DECISION FOR INDIVIDUAL CONSUMERS, BUSINESSES, AND THE ECONOMY AS A WHOLE. A FREE MARKET ECONOMY DEPENDS ON THE PRINCIPLE THAT BUSINESS AND CONSUMER AGREEMENTS, FREELY ENTERED INTO, WILL BE UPHOLD ABSENT THE SITUATIONS THAT WOULD INVALIDATE ANY CONTRACT, SUCH

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AS FRAUD." PLF SUBMITTED AN AMICUS BRIEF SUPPORTING AT&T MOBILITY.

(VICTORY 4/4/11) ARIZONA CHRISTIAN SCHOOL TUITION ORGANIZATION V. WINN - IN A MAJOR VICTORY FOR SCHOOL CHOICE, THE UNITED STATES SUPREME COURT OVERRULED THE NINTH CIRCUIT COURT OF APPEALS AND UPHELD THE RIGHT OF ARIZONA TAXPAYERS - UNDER A 13-YEAR-OLD SCHOOL CHOICE PROGRAM - TO CLAIM A TAX CREDIT FOR DONATIONS MADE TO SCHOOL TUITION ORGANIZATIONS. THE NINTH CIRCUIT RULED THAT THIS STATUTORY SCHEME VIOLATED THE ESTABLISHMENT CLAUSE BECAUSE IT ADVANCES RELIGION, BUT THE SUPREME COURT RULED THAT SO LONG AS STATES DO NOT FAVOR A PARTICULAR RELIGION, OR RELIGION OVER NON-RELIGION, WHEN CREATING INDIVIDUAL TAX CREDITS, AS THE ONE IN ARIZONA SHOWED, SCHOOL CHOICE PROGRAMS SHOULD BE FREE FROM ESTABLISHMENT CLAUSE SUITS. AS AMICUS IN SUPPORT OF THE PROGRAM, PLF ARGUED THAT IT DID NOT VIOLATE THE ESTABLISHMENT CLAUSE BECAUSE DONORS CHOOSE, ENTIRELY VOLUNTARILY, WHICH TUITION ORGANIZATIONS THEY WILL SUPPORT.

(VICTORY 12/13/10) VIRGINIA V. SEBELIUS - RULING IN VIRGINIA'S CHALLENGE TO THE NEW FEDERAL HEALTH CARE LAW, UNITED STATES DISTRICT COURT JUDGE HENRY E. HUDSON STRUCK DOWN THE LAW'S "INDIVIDUAL MANDATE" TO BUY FEDERALLY PRESCRIBED HEALTH INSURANCE. PACIFIC LEGAL FOUNDATION SUBMITTED AN AMICUS BRIEF IN SUPPORT OF VIRGINIA'S CHALLENGE. IN A STATEMENT ON THE RULING, PLF PRINCIPAL ATTORNEY TIMOTHY SANDEFUR SAID JUDGE HUDSON'S RULING IS "A POWERFUL REAFFIRMATION OF TRADITIONAL PRINCIPLES OF LIMITED GOVERNMENT. NEVER BEFORE HAS THE FEDERAL GOVERNMENT TRIED TO COMPEL PEOPLE TO BUY SPECIFIED GOODS OR SERVICES IN THE PRIVATE MARKETPLACE, AND TODAY'S COURT RULING SAYS THE FEDS CAN'T START NOW."

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(ACTIVE CASE 7/26/10) SISSEL V. UNITED STATES DEPARTMENT OF HEALTH & HUMAN SERVICES - THIS PLF LAWSUIT WAS FILED IN UNITED STATES DISTRICT COURT IN WASHINGTON D.C., TO CHALLENGE THE FEDERAL GOVERNMENT'S MANDATE TO BUY HEALTH INSURANCE AS A VIOLATION OF THE COMMERCE CLAUSE. PLF ATTORNEYS REPRESENT MATT SISSEL, AN ARTIST (AND FORMER IRAQ WAR COMBAT MEDIC) FROM IOWA CITY, WHO CHOOSES TO PAY FOR MEDICAL EXPENSES ON HIS OWN, RATHER THAN BUY HEALTH INSURANCE. HE OBJECTS ON FINANCIAL, PHILOSOPHICAL, AND CONSTITUTIONAL GROUNDS TO BEING ORDERED BY THE FEDERAL GOVERNMENT TO PURCHASE A HEALTH CARE PLAN HE DOES NOT NEED OR WANT. IN HIS SUIT, FILED IN THE D.C. DISTRICT COURT, HE CHALLENGES THIS FEDERALLY IMPOSED FINANCIAL BURDEN. THE GOVERNMENT HAS FILED A MOTION TO DISMISS SISSEL'S SUIT, WHICH IS PENDING IN THE DISTRICT COURT.

(MIXED VICTORY 6/28/10) MCDONALD V. CHICAGO - THE UNITED STATES SUPREME COURT'S 5-4 DECISION AFFIRMED THE CONSTITUTIONAL RIGHT OF CHICAGO RESIDENTS TO POSSESS FIREARMS FOR PERSONAL PROTECTION. PLF'S BRIEF URGED THE COURT TO USE A DIFFERENT PROVISION OF THE FOURTEENTH AMENDMENT CALLED THE "PRIVILEGES OR IMMUNITIES" CLAUSE, A PROVISION OF THE CONSTITUTION THAT HAS BEEN VIRTUALLY IGNORED SINCE AN 1873 CASE CALLED THE SLAUGHTERHOUSE CASES.

(VICTORY 6/25/10) BENNETT V. REYNOLDS - THE TEXAS SUPREME COURT ISSUED A FAVORABLE RULING IN A CASE BETWEEN TWO FEUDING RANCHING NEIGHBORS. THIRTEEN HEAD OF RANDY REYNOLDS' CATTLE WANDERED ONTO TOM BENNETT'S LAND. DUE TO A LONG-STANDING FEUD BETWEEN THE RANCHERS, BENNETT TOOK THE OPPORTUNITY TO TAKE REYNOLDS' CATTLE TO AUCTION, WHERE HE SOLD THEM

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FOR \$5,327.11. ONE OF BENNETT'S WORKERS, HOWEVER, TOOK PHOTOGRAPHS OF THE CATTLE BEING LOADED ONTO THE TRUCK AND TURNED THEM OVER TO REYNOLDS. REYNOLDS SUED BENNETT FOR CONVERSION AND SICKED THE SHERIFF ON HIM FOR FELONY CATTLE RUSTLING. BENNETT WAS ACQUITTED OF THE FELONY BUT THE JURY HELD HIM LIABLE IN A CIVIL TRIAL FOR CONVERSION WITH MALICE, AWARDING HIM \$5,327.11 IN COMPENSATORY DAMAGES AND \$1.5 MILLION IN PUNITIVE DAMAGES. THE SUPREME COURT AGREED WITH PLF'S POSITION, HOLDING THAT IN A CASE INVOLVING ECONOMIC HARM, SUCH AS THIS ONE, THE LOWER COURTS ARE CONSTITUTIONALLY REQUIRED TO LIMIT PUNITIVE DAMAGES TO NO MORE THAN FOUR TIMES THE AMOUNT OF COMPENSATORY DAMAGES.

(VICTORY 6/21/10) RENT-A-CENTER V. JACKSON — THE UNITED STATES SUPREME COURT HELD THAT WHEN PARTIES AGREE TO A CONTRACT, AND THAT CONTRACT CONTAINS AN ARBITRATION CLAUSE THAT EXPLICITLY GIVES AN ARBITRATOR THE POWER TO DECIDE WHETHER THE AGREEMENT ITSELF IS ENFORCEABLE, THEN IT IS INDEED UP TO THE ARBITRATOR TO DECIDE WHETHER THE AGREEMENT IS ENFORCEABLE. IN CALIFORNIA, ARBITRATION CONTRACTS ARE INVALIDATED WITH DISTRESSING REGULARITY AS COURTS HAVE ABUSED THEIR POWER TO UNRAVEL THESE AGREEMENTS BY DECLARING THEM "UNCONSCIONABLE" OR "CONTRARY TO PUBLIC POLICY." THIS RULING MAKES IT EASIER FOR PARTIES TO AGREE TO RESOLVE THEIR DISPUTES MORE QUICKLY AND INFORMALLY THROUGH ARBITRATION, AND THEN ENFORCE THAT AGREEMENT. PLF PARTICIPATED AS AMICUS IN THE CASE.

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS:

A SEARCH OF WESTLAW'S SEARCH ENGINE, COMBINED WITH "GOOD NEWS" LINKS, TURNS UP MORE THAN 485 DISPATCHES REPORTING ON PLF ACTIVITIES IN

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NEWSPAPERS, MAGAZINES, AND NEWSWIRE SERVICES, IN THE PERIOD FROM
JANUARY 1, 2010 THROUGH JANUARY 1, 2011.

FOX & FRIENDS, THE NATIONALLY BROADCAST MORNING PROGRAM OF THE FOX NEWS
CHANNEL, RAN FIVE INTERVIEW SEGMENTS WITH PLF CLIENTS IN 2010.

MORE THAN 30 PLF OPEDS WERE SUCCESSFULLY PUBLISHED IN 2010 IN
NEWSPAPERS ACROSS THE COUNTRY.

MORE THAN 45 TV OR RADIO REPORTS IN 2010 DEALT WITH PLF'S WORK, A
LINEUP THAT INCLUDED THE FOX NEWS CHANNEL, NBC NIGHTLY NEWS AND CSPAN.

TOP REPORTERS CONTINUED TO REACH OUT TO PLF AS A RESOURCE ON OUR AREAS
OF SPECIALTY TO GET BACKGROUND ON THEIR STORIES. WE RECEIVED
UNSOLICITED BACKGROUND INQUIRIES THIS YEAR FROM REPORTERS AT MAJOR
NATIONAL NEWSPAPERS - LOS ANGELES TIMES, THE NEW YORK TIMES, WASHINGTON
POST, WALL STREET JOURNAL AND USA TODAY, AS WELL AS TOP RADIO AND TV
MEDIA SUCH AS FOX NEWS AND NBC NEWS.

PLF ORGANIZED SUCCESSFUL MEDIA EVENTS THAT INCLUDED A NEWS CONFERENCE
IN DAVIS TO ANNOUNCE OUR APPEAL TO THE NINTH CIRCUIT IN THE DELTA SMELT
CASE, PLF'S TOWNHALL AT THE 2010 WORLD AG EXPO IN TULARE THAT ATTRACTED
PRINT AND BROADCAST MEDIA COVERAGE OF THE SAN JOAQUIN VALLEY'S WATER
CRISIS AND PLF'S SMELT LAWSUIT, AND A NEWS CONFERENCE ON THE STEPS OF
THE STATE CAPITOL TO HIGHLIGHT OUR HAHN V. CALIFORNIA DEPT. OF
PESTICIDE REGULATION CASE GENERATED COVERAGE ON SEVERAL SACRAMENTO
TELEVISION STATIONS.

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THERE WERE MORE THAN 3,000 BLOG REFERENCES TO PLF DURING 2010. IN TOTAL, THERE WERE MORE THAN 20,000 WEB CITINGS OF OUR WORK DURING 2010. IN ADDITION TO THE THOUSANDS OF BLOG AND WEB-SITE "HITS", OVER THE COURSE OF THE YEAR, WE AGAIN HAVE A HIGH MONTHLY RATE OF APPEARANCES - MORE THAN 50 PER MONTH - ON NEWS ORGANIZATION WEBSITES, INCLUDING SUCH MAJOR OUTLETS LIKE THE WASHINGTON POST, NEW YORK TIMES, DOW JONES MARKETWATCH.COM, CNN, AND CNBC.

COMMUNITY OUTREACH: PLF PROFESSIONAL STAFF MEMBERS DELIVERED OR PARTICIPATED IN 57 SPEECHES, FORUMS, OR DEBATES, SPEAKING ON DIVERSE SUBJECTS RELATED TO THE PLF'S MISSION AND LITIGATION. THESE PRESENTATIONS REACHED A TOTAL AUDIENCE OF MORE THAN 4,000 PEOPLE.

PLF COMMUNICATIONS

PLF PRODUCES A VARIETY OF PRINTED AND ELECTRONIC NEWSLETTERS, ALERTS AND UPDATES TO KEEP DONORS, NON-DONORS AND THE MEDIA INFORMED. IN 2010, WE DISTRIBUTED 10 AT ISSUES, FOUR RESCUING LIBERTIES, 24 PLF SENTRIES AND 24 WATER EMAILS. WE ALSO LAUNCHED MONTHLY SENTRIES FOR THE ATLANTIC CENTER AND THE PACIFIC NORTHWEST CENTER.

FORM 990, PART VI, SECTION A, LINE 2: KEY EMPLOYEES R.S. RADFORD AND SHARON BROWNE ARE MARRIED.

FORM 990, PART VI, SECTION B, LINE 11: THE TAX PREPARER AND PLF FINANCIAL MANAGEMENT PROVIDE THE FORM 990 TO THE AUDIT COMMITTEE. ALONG WITH PROVIDING EACH TRUSTEE A COPY OF THE FORM 990, GIVING THEM THE OPPORTUNITY TO RAISE ANY CONCERNS AND/OR ASK QUESTIONS PRIOR TO THE FILING DATE. A

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DEADLINE IS GIVEN TO THE TRUSTEES TO INSURE TIMELY FILING OF THE TAX RETURN.

FORM 990, PART VI, SECTION B, LINE 12C: EACH TIME A NEW CASE COMES UP, PLF CHECKS FOR CONFLICTS. EACH DECISION MADE BY THE BOARD, IF SOMEONE HAS A CONFLICT, THE BOARD MEMBER WILL ABSTAIN FROM THE VOTE AND/OR DISCUSSION.

FORM 990, PART VI, SECTION B, LINE 15: COMPENSATION COMMITTEE OF THE BOARD MEETS ANNUALLY AND USES COMPARABILITY DATA PROVIDED BY DIRECTOR OF HUMAN RESOURCES TO DETERMINE THAT THE COMPENSATION DOES NOT EXCEED THE LEVEL OF THE BENEFITS PROVIDED.

FORM 990, PART VI, LINE 17, LIST OF STATES RECEIVING COPY OF FORM 990:
CA, AK, AZ, FL, HI, IL, KS, MD, MA, MI, MN, NJ, NY, OH, OR, PA, SC, UT, VA, WA, AR, MO, NC, NH, AL
CO, CT, GA, KY, LA, ME, MS, ND, NM, OK, TN, WV, WI, RI, DC

FORM 990, PART VI, SECTION C, LINE 19: COPIES ARE AVAILABLE ON THE ORGANIZATIONS WEBSITE

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

NET UNREALIZED GAINS ON INVESTMENTS:	1,395,421.
SFAS NO.247 ADJUSTMENT FOR SPLIT INTEREST AGREEMENTS	312,054.
TOTAL TO FORM 990, PART XI, LINE 5	1,707,475.

FORM 990, PART XII, LINE 2C

THERE WAS NO CHANGE IN THE OVERSIGHT PROCESS OR SELECTION PROCESS DURING THE REPORTING PERIOD.

FORM 990 PAGE 10

990

[illegible]

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

FOR PUBLIC INSPECTION

Form **990**
Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)

OMB No. 1545-0047

2009Open to Public
Inspection

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2009 calendar year, or tax year beginning**and ending****B** Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization**PACIFIC LEGAL FOUNDATION**

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address)

3900 LENNANE DRIVE

Room/suite

200

City or town, state or country, and ZIP + 4

SACRAMENTO, CA 95834**F Name and address of principal officer: ROBIN L. RIVETT****3900 LENNANE DRIVE, SUITE 200, SACRAMENTO, CA****D Employer identification number****94-2197343****E Telephone number****916-419-7111****G Gross receipts \$ 11,735,403.****H(a) Is this a group return for affiliates?** ☐ Yes ☒ No**H(b) Are all affiliates included?** ☐ Yes ☐ No

If "No," attach a list. (see instructions)

H(c) Group exemption number ▶**I. Tax-exempt status:** ☒ 501(c)(3) (insert no.) ☐ 4947(a)(1) or ☐ 527**J Website:** **PACIFICLEGAL.ORG****K Form of organization:** ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L Year of formation:** **1973****M State of legal domicile:** **CA****Part I Summary**

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: PUBLIC INTEREST LAW-PROVIDE LEGAL REPRESENTATION FOR CITIZENS ON MATTERS OF PUBLIC INTEREST AT	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	3	Number of voting members of the governing body (Part VI, line 1a)	3 19
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4 19
	5	Total number of employees (Part V, line 2a)	5 64
	6	Total number of volunteers (estimate if necessary)	6 0
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a 5,230.
b	Net unrelated business taxable income from Form 990-T, line 34	7b 0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 8,421,307. Current Year 10,449,939.
	9	Program service revenue (Part VIII, line 2g)	1,440,577. 793,358.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	278,561. 285,127.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	8,766. 162,767.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	10,149,211. 11,691,191.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	24,500. 2,500.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	5,797,712. 5,099,340.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	152,861. 106,507.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,535,472.	
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	2,458,348. 2,201,614.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	8,433,421. 7,409,961.
19	Revenue less expenses. Subtract line 18 from line 12	1,715,790. 4,281,230.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year 12,402,324. End of Year 18,065,705.
	21	Total liabilities (Part X, line 26)	2,199,043. 2,122,052.
	22	Net assets or fund balances. Subtract line 21 from line 20	10,203,281. 15,943,653.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer

8/4/10

Date

ROBIN L. RIVETT, PRESIDENT & CEO

Type or print name and title

Paid

Preparer's Use Only

Preparer's signature

Date

8/4/10Check if self-employed ☐

Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4

CAMPBELL TAYLOR & COMPANY**3741 DOUGLAS BLVD, SUITE 350****ROSEVILLE, CA 95661**Phone no. ▶ **(916) 929-3680**

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

932001 02-04-10

LHA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2009)

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission: SEE SCHEDULE O FOR CONTINUATION
DEDICATED TO THE PRESERVATION OF OUR INDIVIDUAL AND ECONOMIC
LIBERTIES, PLF HAS GROWN TO BE THE OLDEST AND LARGEST PUBLIC INTEREST
LEGAL FOUNDATION OF ITS KIND IN THE NATION. FOUNDED IN SACRAMENTO,
CALIFORNIA IN 1973, PLF SUPPORTS THE PRINCIPLES OF LIMITED GOVERNMENT,

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

SEE SCHEDULE O FOR CONTINUATION(S)

4a (Code:) (Expenses \$ 3,981,922. including grants of \$) (Revenue \$ 793,358.)

LEGAL PROGRAM: DURING 2009, PLF WORKED ON OVER 220 CASES. THE
FOLLOWING ARE HIGHLIGHTS: PROPERTY RIGHTS: 1)AFTER PLF'S COURT
VICTORY FOR HOMEOWNER BOBBY DUTTA OF EL DORADO COUNTY, CA, THE COUNTY
STOPPED DEMANDING THAT PROPERTY OWNERS SEEKING BUILDING PERMITS LET
PLANES FLY LOW OVER THEIR LAND (DUTTA V. EL DORADO COUNTY) 2)IN FARR
V. CALIFORNIA COASTAL COMMISSION, WE WERE SUCCESSFUL IN AN AMICUS
EFFORT TO CONVINCE A COURT OF APPEAL TO PUBLISH A FAVORABLE RULING
LIMITING THE POWER OF THE CALIFORNIA COASTAL COMMISSION TO REGULATE
VIEWS. 3)THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT RULED
IN FAVOR OF PLF'S CLIENT IN LITIGATION AGAINST THE TEXAS OPEN BEACHES
ACT, WHICH GOVERNMENT OFFICIALS USE TO SEIZE PRIVATE BEACHFRONT LAND
AND HOUSES IF THE BEACH VEGETATION LINE MOVES TO THE LANDWARD SIDE OF

4b (Code:) (Expenses \$ 926,249. including grants of \$) (Revenue \$)

PUBLIC EDUCATION: IN 2009, PLF USED A COMPREHENSIVE PROGRAM OF FOCUSED
MEDIA RELATIONS, WEB ENHANCEMENTS, AND DIRECT PUBLIC OUTREACH.

FOR THE ENTIRE YEAR, A COMBINED SEARCH OF WESTLAW AND GOOGLE NEWS TURNS
UP MORE THAN 425 PRINT MEDIA DISPATCHES REPORTING ON PLF DURING 2009.
MORE THAN 30 PLF OP-EDS WERE PUBLISHED IN NEWSPAPERS ACROSS THE COUNTRY.
MORE THAN 45 TV OR RADIO REPORTS IN 2009 DEALT WITH PLF'S WORK, AND
MORE THAN 3,500 BLOG REFERENCES TO PLF WERE MADE. WE PRODUCED MORE
THAT 60 PRESS RELEASES, 10 "AT ISSUES", FOUR "RESCUING LIBERTIES",AS
WELL AS 24 PLF E-MAIL "SENTRIES" AND NUMEROUS PLF ONLINE VIDEOS AND
SLIDE SHOWS.

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses \$ 4,908,171.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		X
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	X	
11 Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	X	
• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.		
• Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.		
• Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.		
• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.		
• Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.		
• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X.		
12 Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII.	X	
12A Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	X	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H		X

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Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and II		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties, (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	X	

Note. All Form 990 filers are required to complete Schedule O.

Form 990 (2009)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	19	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	64	
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4b	If "Yes," enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		
7g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
7h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distributions under section 4966?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10a	Initiation fees and capital contributions included on Part VIII, line 12		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11a	Gross income from members or shareholders		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		

Form 990 (2009)

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.**Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body	19	
b Enter the number of voting members that are independent	19	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	X	
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a material diversion of the organization's assets?		X
6 Does the organization have members or stockholders?		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Does the organization have local chapters, branches, or affiliates?		X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
11A Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13 Does the organization have a written whistleblower policy?		X
14 Does the organization have a written document retention and destruction policy?	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	X	
b Other officers or key employees of the organization	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **CA, AK, AZ, FL, HI, IL, KS, MD, MA, MI, MN, NJ**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☒ Own website ☐ Another's website ☐ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **PACIFIC LEGAL FOUNDATION - 916-419-7111**
3900 LENNANE DRIVE, SUITE 200, SACRAMENTO, CA 95834

Form 990 (2009)

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

• List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

• List all of the organization's current key employees. See instructions for definition of "key employee."

• List the organization's five current highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

• List all of the organization's former officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

• List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
ROBIN L. RIVETT PRESIDENT & CEO	37.50	X		X		X		255,781.	0.	56,136.
JAMES S BURLING DIRECTOR OF LITIGATION &	37.50	X		X				180,250.	0.	34,448.
JAMES L. CLOUD TRUSTEE	1.00	X						0.	0.	0.
JOHN C. HARRIS CHAIR OF THE BOARD	1.00	X		X				0.	0.	0.
LEONARD S FRANK SECRETARY-TREASURER	1.00	X		X				0.	0.	0.
RICHARD R ALBRECHT TRUSTEE	1.00	X						0.	0.	0.
THOMAS G. BOST VICE CHAIR	1.00	X		X				0.	0.	0.
GREG M. EVANS TRUSTEE	1.00	X						0.	0.	0.
RICHARD GEARY TRUSTEE	1.00	X						0.	0.	0.
TIMOTHY R. HALL TRUSTEE	1.00	X						0.	0.	0.
GEORGE KIMBALL TRUSTEE	1.00	X						0.	0.	0.
LORRAINE O. LEGG TRUSTEE	1.00	X						0.	0.	0.
WARNER C. LUSARDI TRUSTEE	1.00	X						0.	0.	0.
APRIL J MORRIS TRUSTEE	1.00	X						0.	0.	0.
JERRY W.P. SCHAUFFLER TRUSTEE	1.00	X						0.	0.	0.
BRUCE C. SMITH TRUSTEE	1.00	X						0.	0.	0.
CHARLES W. TRAINOR TRUSTEE	1.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
RONALD E VAN BUSKIRK TRUSTEE	1.00	X						0.	0.	0.
DONALD JOE WILLIS TRUSTEE	1.00	X						0.	0.	0.
H. DIXON MONTAGUE TRUSTEE	1.00	X						0.	0.	0.
JEFFREY E. WARREN TRUSTEE	1.00	X						0.	0.	0.
M. DAVID STIRLING VICE PRESIDENT (PARTIAL	37.50			X				55,450.	0.	1,796.
M. REED HOPPER ATTORNEY	37.50					X		141,935.	0.	15,535.
MERIE HUBBARD ATTORNEY	37.50					X		139,256.	0.	11,640.
SHARON L. BROWNE ATTORNEY	37.50					X		170,877.	0.	15,280.
R.S. RADFORD ATTORNEY	37.50					X		149,110.	0.	18,385.
J. MICHAEL STETSON ATLANTIC CENTER DEVELOPM	37.50					X		144,000.	0.	16,006.
1b Total								1,236,659.	0.	169,226.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **12**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
BLV AGRIBUSINESS, 2945 CANONITA DRIVE, FALLBROOK, CA 92028-8771	PUBLIC RELATIONS	106,507.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **1**

Form 990 (2009)

Part VIII Statement of Revenue				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1 a Federated campaigns	1a	10,222,299.				
	b Membership dues	1b					
	c Fundraising events	1c	227,640.				
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f					
	g Noncash contributions included in lines 1a-1f: \$		780,240.				
	h Total. Add lines 1a-1f			10,449,939.			
Program Service Revenue	2 a COURT AWARDED ATTY FEE	Business Code	541100	793,358.	793,358.		
	b						
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f			793,358.			
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			285,127.		
4 Income from investment of tax-exempt bond proceeds							
5 Royalties							
6 a Gross Rents		(i) Real	(ii) Personal				
b Less: rental expenses							
c Rental income or (loss)							
d Net rental income or (loss)							
7 a Gross amount from sales of assets other than inventory		(i) Securities	(ii) Other				
b Less: cost or other basis and sales expenses							
c Gain or (loss)							
d Net gain or (loss)							
8 a Gross income from fundraising events (not including \$ 227,640. of contributions reported on line 1c). See Part IV, line 18		a		24,612.			
b Less: direct expenses		b		44,212.			
c Net income or (loss) from fundraising events				-19,600.	-19,600.		
9 a Gross income from gaming activities. See Part IV, line 19		a					
b Less: direct expenses		b					
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances		a					
b Less: cost of goods sold	b						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue			Business Code				
11 a EXPENSE REIMBURSEMENTS		541100	177,137.	177,137.			
b BOOK SALES		900099	5,230.		5,230.		
c							
d All other revenue							
e Total. Add lines 11a-11d			182,367.				
12 Total revenue. See instructions.			11,691,191.	950,895.	5,230.	285,127.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	2,500.	2,500.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	528,806.	375,736.	44,888.	108,182.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	3,793,319.	2,933,020.	263,379.	596,920.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	105,571.	61,898.	18,818.	24,855.
9 Other employee benefits	359,472.	182,252.	106,926.	70,294.
10 Payroll taxes	312,172.	146,223.	103,480.	62,469.
11 Fees for services (non-employees):				
a Management				
b Legal	109,882.		109,882.	
c Accounting	64,288.		64,288.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17	106,507.			106,507.
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses	85,854.	6,306.	61,947.	17,601.
14 Information technology				
15 Royalties				
16 Occupancy	583,263.	410,494.	79,875.	92,894.
17 Travel	70,998.	24,223.	8,388.	38,387.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	4,987.	1,020.	2,743.	1,224.
20 Interest	3,235.	2,476.	231.	528.
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	114,531.	87,926.	8,296.	18,309.
23 Insurance	65,263.	50,103.	4,727.	10,433.
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a PRINTING & PUBLICATIONS	379,108.	193,739.	1,484.	183,885.
b POSTAGE & SHIPPING	213,688.	60,686.	3,146.	149,856.
c LITIGATION EXPENSE	174,475.	174,475.		
d EQUIPMENT & RENTAL	82,184.	57,529.	15,615.	9,040.
e LIBRARY/RESEARCH	70,097.	70,097.		
f All other expenses	179,761.	67,468.	68,205.	44,088.
25 Total functional expenses. Add lines 1 through 24f	7,409,961.	4,908,171.	966,318.	1,535,472.
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation ...				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	1,285,692.	1	1,203,399.
	2 Savings and temporary cash investments	182,616.	2	62,918.
	3 Pledges and grants receivable, net	505,085.	3	1,394,860.
	4 Accounts receivable, net		4	143,422.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	160,785.	9	97,206.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1,474,701.		
	b Less: accumulated depreciation	10b 1,258,056.		
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11	4,926,260.	12	11,131,241.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	5,025,922.	15	3,816,014.
16 Total assets. Add lines 1 through 15 (must equal line 34)	12,402,324.	16	18,065,705.	
Liabilities	17 Accounts payable and accrued expenses	133,734.	17	138,363.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D	2,065,309.	25	1,983,689.
	26 Total liabilities. Add lines 17 through 25	2,199,043.	26	2,122,052.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	5,555,613.	27	11,421,373.
	28 Temporarily restricted net assets	3,980,558.	28	3,714,500.
	29 Permanently restricted net assets	667,110.	29	807,780.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	10,203,281.	33	15,943,653.
	34 Total liabilities and net assets/fund balances	12,402,324.	34	18,065,705.

Form 990 (2009)

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?	X	
b Were the organization's financial statements audited by an independent accountant?	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

Form 990 (2009)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number

94-2197343

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2 ☐ A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4 ☐ A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8 ☐ A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III - Functionally Integrated d ☐ Type III - Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		
- (ii) A family member of a person described in (i) above? _____
- (iii) A 35% controlled entity of a person described in (i) or (ii) above? _____
- h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2009

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	6,340,726.	7,668,905.	7,286,951.	8,421,307.	10,449,939.	40,167,828.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	6,340,726.	7,668,905.	7,286,951.	8,421,307.	10,449,939.	40,167,828.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						2,373,038.
6 Public support. Subtract line 5 from line 4.						37,794,790.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4	6,340,726.	7,668,905.	7,286,951.	8,421,307.	10,449,939.	40,167,828.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	144,075.	143,228.	400,468.	278,561.	285,127.	1,251,459.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	36,546.	23,214.	43,565.	54,079.	182,367.	339,771.
11 Total support. Add lines 7 through 10						41,759,058.
12 Gross receipts from related activities, etc. (see instructions)					12	3,676,428.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	90.51	%
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	94.55	%
16a 33 1/3% support test - 2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input checked="" type="checkbox"/>			
b 33 1/3% support test - 2008. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>			
17a 10% -facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>			
b 10% -facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>			
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/>			

Schedule A (Form 990 or 990-EZ) 2009

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I.)**Section A. Public Support**

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage for 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ☐

b 33 1/3% support tests - 2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

Schedule A (Form 990 or 990-EZ) 2009

Schedule D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.
► Attach to Form 990. ► See separate instructions.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number

94-2197343

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
☐ Preservation of land for public use (e.g., recreation or pleasure) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►

4 Number of states where property subject to conservation easement is located ►

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ►

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ► \$

(ii) Assets included in Form 990, Part X ► \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ► \$

b Assets included in Form 990, Part X ► \$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition d ☐ Loan or exchange programs
 b ☐ Scholarly research e ☐ Other _____
 c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	4880134.	5696799.			
b Contributions	5210277.	733,778.			
c Net investment earnings, gains, and losses	1195879.	-1,274,821.			
d Grants or scholarships					
e Other expenditures for facilities and programs	225,979.	275,622.			
f Administrative expenses					
g End of year balance	11,060,311.	4880134.			

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ☐ %
 b Permanent endowment ☐ %
 c Term endowment ☐ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations ☐ Yes ☒ No
 3a(i) ☐ ☒
 (ii) related organizations ☐ Yes ☒ No
 3a(ii) ☐ ☒

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? ☐ Yes ☐ No
 3b ☐ ☐

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		119,886.	93,038.	26,848.
d Equipment		1,354,815.	1,165,018.	189,797.
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ☐ 216,645.

Schedule D (Form 990) 2009

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	11,691,191.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	7,409,961.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	4,281,230.
4	Net unrealized gains (losses) on investments	4	916,857.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	542,285.
9	Total adjustments (net). Add lines 4 through 8	9	1,459,142.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	5,740,372.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	13,150,333.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	916,857.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	542,285.
e	Add lines 2a through 2d	2e	1,459,142.
3	Subtract line 2e from line 1	3	11,691,191.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	11,691,191.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	7,409,961.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	7,409,961.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	7,409,961.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART XI, LINE 8 - OTHER ADJUSTMENTS:

SFAS NO.247 ADJUSTMENT FOR SPLIT INTEREST AGREEMENTS

PART XII, LINE 2D - OTHER ADJUSTMENTS:

CHANGE IN VALUE OF SPLIT INTEREST AGREEMENTS: 542285.

Department of the Treasury
Internal Revenue Service

► Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

2009

Open To Public Inspection

PACIFIC LEGAL FOUNDATION

Employer identification number	94-2197343
--------------------------------	------------

Part I

Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a ☒ Mail solicitations
b ☐ Internet and email solicitations
c ☒ Phone solicitations
d ☒ In-person solicitations
e ☐ Solicitation of non-government grants
f ☐ Solicitation of government grants
g ☒ Special fundraising events

- 2 a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

- b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
BLV AGRIBUSINESS CONSULTANTS	PERSONAL CONTACT WITH INDIVIDUALS		X	754,046.	106,507.	647,539.
Total				754,046.	106,507.	647,539.

3. List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing.

CA, AK, AZ, FL, HI, IL, KS, MD, MA, MI, MN, NJ, NY, OH, OR, PA, SC, UT, VA, WA, AR, MO, NC, NH, AL
CO, CT, GA, KY, LA, ME, MS, NM, OK, TN, WV, WI, RI, ND, DC

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

	(a) Event #1 SPRING DINNER	(b) Event #2 OLYMPIC CLUB DINNER-INFO	(c) Other events	(d) Total events (add col. (a) through col. (c))
	(event type)	(event type)	(total number)	
Revenue			1	
1 Gross receipts	110,752.	141,500.	0.	252,252.
2 Less: Charitable contributions	104,977.	122,663.	0.	227,640.
3 Gross income (line 1 minus line 2)	5,775.	18,837.		24,612.
Direct Expenses				
4 Cash prizes				
5 Noncash prizes				
6 Rent/facility costs				
7 Food and beverages				
8 Entertainment				
9 Other direct expenses	12,647.	31,092.	473.	44,212.
10 Direct expense summary. Add lines 4 through 9 in column (d)				(44,212)
11 Net income summary. Combine line 3, column (d), and line 10				-19,600.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

	(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue				
1 Gross revenue				
Direct Expenses				
2 Cash prizes				
3 Noncash prizes				
4 Rent/facility costs				
5 Other direct expenses				
6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7 Direct expense summary. Add lines 2 through 5 in column (d)				()
8 Net gaming income summary. Combine line 1, column (d), and line 7				

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? _____

b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? _____

b If "Yes," explain: _____

11 Does the organization operate gaming activities with nonmembers? _____

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? _____

	Yes	No
9a		
10a		
11		
12		

		Yes	No
13 Indicate the percentage of gaming activity operated in:			
a The organization's facility	13a %		
b An outside facility	13b %		
14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:			
Name ▶			
Address ▶			
15a Does the organization have a contract with a third party from whom the organization receives gaming revenue?		15a	
b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ and the amount of gaming revenue retained by the third party ▶ \$			
c If "Yes," enter name and address of the third party:			
Name ▶			
Address ▶			
16 Gaming manager information:			
Name ▶			
Gaming manager compensation ▶ \$			
Description of services provided ▶			
<input type="checkbox"/> Director/officer <input type="checkbox"/> Employee <input type="checkbox"/> Independent contractor			
17 Mandatory distributions:			
a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?		17a	
b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$			

Schedule G (Form 990 or 990-EZ) 2009

Name of the organization

PACIFIC LEGAL FOUNDATION

Part I	PACIFIC LEGAL FOUNDATION General Information on Grants and Assistance
--------	--

Employer identification number:
94-2197343

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No

- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Events and Other Accidents to Consider in the Design of a System

part II **Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed

[illegible]

- | | |
|---|--|
| 2 | Enter total number of section 501(c)(3) and government organizations |
| 3 | Enter total number of other organizations |

3 Enter total number of other organizations

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) 2009

Part II

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Use Part IV and Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

- ▶ Complete if the organization answered "Yes" to Form 990,
Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number
94-2197343

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|--|--|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

a Receive a severance payment or change-of-control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization?

b Any related organization?

If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?

b Any related organization?

If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

9

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2009

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

PART I, LINE 4B: ROBIN RIVETT, PRESIDENT & CEO, SUPPLEMENTAL LIFE INSURANCE
\$1,600, SUPPLEMENTAL PENSION \$20,920 AND DEFERRED COMPENSATION OF \$16,500.

JAMES BURLING, DIRECTOR OF LITIGATION, RECEIVED \$16,500 IN DEFERRED
COMPENSATION.

SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

► Complete if the organizations answered "Yes" on Form
990, Part IV, lines 29 or 30.
► Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number

94-2197343

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	28	771,000.	NYSE MARKET VALUE
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (WINE FOR EVEN)	X	9	9,240.	MARKET VALUE
26 Other ► ()				
27 Other ► ()				
28 Other ► ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions
for which the organization completed Form 8283, Part IV, Donee Acknowledgment

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for
at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for
the entire holding period?

	Yes	No
30a		X
31	X	
32a		X
33		

b If "Yes," describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash
contributions?

b If "Yes," describe in Part II.

33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked,
describe in Part II.

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) 2009

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number
94-2197343

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

ALL LEVELS OF THE ADMINISTRATIVE AND JUDICIAL PROCESS.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

INDIVIDUAL OPPORTUNITY, AND THE RIGHTS OF PRIVATE PROPERTY OWNERS.

THROUGH THE COURTS, PLF ESTABLISHES LEGAL PRECEDENTS THAT SERVE TO
PROTECT AND PRESERVE THE CONSTITUTIONAL LIBERTIES HANDED DOWN FROM OUR
FOUNDING FATHERS.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS

PRIVATE PROPERTY (SEVERANCE V. PATTERSON)

ENVIRONMENT: 1) RULING IN ACCORDANCE WITH THE PLF'S ARGUMENTS, THE
UNITED STATES SUPREME COURT MADE IT EASIER TO PROTECT FORESTS FROM
FIRES, BY MAKING IT HARDER FOR PARTIES TO CHALLENGE FOREST CLEANUP
PROGRAMS WHEN THEY DON'T HAVE LEGITIMATE STANDING TO LITIGATE (SUMMERS
V. EARTH ISLAND INSTITUTE). 2) SIDING WITH ARGUMENTS BY PLF, THE
SUPREME COURT RULED AGAINST ENVIRONMENTALISTS' EFFORTS TO IMPOSE
UNNECESSARY RESTRICTIONS ON LEGITIMATE MINING OPERATIONS (COEUR ALASKA
V. SOUTHEAST ALASKA CONSERVATION COUNCIL). 3) PLF ATTORNEYS FILED A
CONSTITUTIONAL CHALLENGE TO THE FEDERAL GOVERNMENT'S CUTOFF OF
IRRIGATION WATER TO SAN JOAQUIN VALLEY FARMS, RURAL TOWNS, AND URBAN
REGIONS. REPRESENTING SEVERAL FARMERS, PLF'S LAWSUIT ARGUES THE
FEDERAL GOVERNMENT HAS NO CONSTITUTIONAL AUTHORITY TO PUT THE DELTA
SMELT ON THE ENDANGERED SPECIES LIST AND, THEREFORE, THE FEDERAL
GOVERNMENT IS BARRED FROM ORDERING PUMPING CUTBACKS TO MANAGE SMELT
POPULATIONS (JASPER ET.AL V. SALAZAR) 4) COMPELLED BY PLF LITIGATION,

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number
94-2197343

FEDERAL OFFICIALS STOPPED DESIGNATING VAST AREAS OF LAND IN SOUTHERN
CALIFORNIA AS "CRITICAL HABITAT" FOR SPECIES, WHERE THEY LACKED
SCIENTIFIC JUSTIFICATION FOR THE HABITAT DESIGNATIONS.

INDIVIDUAL RIGHTS: 1)THE SUPREME COURT RULED THAT NEW HAVEN,
CONNECTICUT, VIOLATED FEDERAL CIVIL RIGHTS LAW WHEN IT THREW OUT THE
RESULTS OF A FIREFIGHTERS PROMOTIONAL EXAM. AFTER THE RULING,
FIREFIGHTERS WHO HAD BEEN DISCRIMINATED AGAINST WERE GIVEN THEIR
PROMOTIONS (RICCI V. DESTEFANO) 2)PLF SUCCESSFULLY CHALLENGED A
CALIFORNIA PROGRAM THAT DISCRIMINATED BY RACE IN SCHOLARSHIPS FOR
MEDICAL-RELATED STUDIES (SMITH V.CALIFORNIA OFFICE OF STATEWIDE HEALTH
PLANNING) 3) PLF ATTORNEYS ALSO FILED A LAWSUIT AGAINST CALTRANS IN SAN
DIEGO ASSOCIATED GENERAL CONTRACTORS VS. CALIFORNIA DEPARTMENT OF
TRANSPORTATION. WE ARE OPPOSING THE REINTRODUCTION OF PREFERENCES BY
CALTRANS IN THE AWARDING OF CONTRACTS AS A VIOLATION OF PROPOSITION
209.

FREE ENTERPRISE: 1)REACTING TO PLF'S LAWSUIT ON BEHALF OF SMALL
BUSINESS OWNER ADAM SWEET, OREGON REPEALED ITS LAW THAT MADE IT NEARLY
IMPOSSIBLE FOR PEOPLE TO START NEW FULL-SERVICE MOVING BUSINESSES IN
THE STATE (SWEET V. KROGER) 2) PLF IS SUING CALIFORNIA OVER ITS
PROHIBITION OF THE MARKETING AND SALE OF EARTHWORM CASTINGS WITHOUT A
PESTICIDE LICENSE. (HAHN V. DEPARTMENT OF PESTICIDE REGULATION).

NATIONAL PROGRAM: 1) WE DEFEATED AN ORDINANCE THAT FORCED SHORELINE
OWNERS IN KITSAP COUNTY, WASHINGTON, TO SET ASIDE LARGE PORTIONS OF
THEIR LAND AS "NATURAL VEGETATION AREAS" WITHOUT COMPENSATION (KITSAP
ALLIANCE OF PROPERTY OWNERS V CENTRAL PUGET SOUND GROWTH MANAGEMENT
HEARINGS BOARD). 2)SIDING WITH PLF ARGUMENTS, THE WASHINGTON SUPREME

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule O (Form 990) 2009

932211
02-03-10

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number
94-2197343

COURT REJECTED AN ATTEMPT TO IMPOSE HARSH DENSITY RESTRICTIONS ON
CONSTRUCTION IN RURAL AREAS OF WHATCOM COUNTY. THE CASE INVOLVED A
LEGAL INITIATIVE THAT ATTEMPTS TO RESTRICT USE OF PRIVATE PROPERTY
(GOLD STAR RESORTS INC. V. FUTUREWISE). 3) A BINATIONAL BUREAUCRACY
AGREED, IN A SETTLEMENT, TO STOP TRYING TO FORCE PLF'S CLIENTS OF
BLAINE, WASHINGTON TO TEAR DOWN THEIR BACKYARD GARDEN WALL. (LEU V.
INTERNATIONAL BOUNDARY COMMISSION). 4) THE WASHINGTON COURT OF APPEALS
HANDED A MAJOR VICTORY TO A LUMMI ISLAND HOMEOWNER, REPRESENTED BY PLF
ATTORNEYS, WHO HAS BEEN BLOCKED BY COUNTY OFFICIALS FROM PROTECTING HER
HOME FROM SHORELINE EROSION (LUHRS V WHATCOM COUNTY). MORE DETAILS ON
THESE AND OTHER CASES MAY BE VIEWED AT WWW.PACIFICLEGAL.ORG

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS

PLF STAFF PARTICIPATED IN MORE THAN 37 SPEECHES, 5 FORUMS OR DEBATES.

"RESCUING LIBERTY", PLF'S QUARTERLY NEWSLETTER IS SENT TO APPROXIMATELY
18,000 READERS; TWO-PAGE "AT ISSUES" ARE SENT TO APPROXIMATELY 20,000
READERS, THE "PLF SENTRY", IS E-MAILED TO APPROXIMATELY 4,000
SUBSCRIBERS; THE "SAVE OUR WATER" IS E-MAILED TO APPROXIMATELY 6,000
SUBSCRIBERS, AND THE "COASTAL GUARDIAN" IS E-MAILED TO APPROXIMATELY
740 SUBSCRIBERS.

PLF WAS IN THE FOREFRONT OF A "SAVE OUR WATER" CAMPAIGN TO INFORM AND
EDUCATE THE PUBLIC ABOUT THE MISAPPLICATIONS OF THE ENDANGERED SPECIES
ACT, OUR ESA LITIGATION, AND HOW IT PROTECTED THE RIGHTS OF FARMERS AND
OUR ECONOMY. THIS WAS ACCOMPLISHED THROUGH A WATER RALLY IN FRESNO, CA

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number
94-2197343

WITH APPROXIMATELY 5,000 PEOPLE IN ATTENDANCE AND ADDITIONAL PUBLIC
RALLIES/MARCHES THROUGHOUT THE VALLEY, TO NAME A FEW.

PLF'S WEB SITE FEATURES SLIDE SHOWS, VIDEOS, PODCASTS, AND BLOGS.

FORM 990, PART VI, SECTION A, LINE 2: KEY EMPLOYEES R.S. RADFORD AND
SHARON BROWNE ARE MARRIED.

FORM 990, PART VI, SECTION B, LINE 11: THE TAX PREPARER AND PLF FINANCIAL
MANAGEMENT PRESENT THE FORM 990 TO THE AUDIT COMMITTEE. UPON COMPLETION OF
THAT PRESENTATION, PROVIDE EACH TRUSTEE A COPY OF THE FORM 990, GIVING THEM
THE OPPORTUNITY TO RAISE ANY CONCERNS AND/OR ASK QUESTIONS PRIOR TO THE
FILING DATE. A DEADLINE IS GIVEN TO THE TRUSTEES TO INSURE TIMELY FILING
OF THE TAX RETURN.

FORM 990, PART VI, SECTION B, LINE 12C: EACH TIME A NEW CASE COMES UP, PLF
CHECKS FOR CONFLICTS. EACH DECISION MADE BY THE BOARD, IF SOMEONE HAS A
CONFLICT, THE BOARD MEMBER WILL ABSTAIN FROM THE VOTE AND/OR DISCUSSION.

FORM 990, PART VI, SECTION B, LINE 15: COMPENSATION COMMITTEE OF THE BOARD
MEETS ANNUALLY AND USES COMPARABILITY DATA PROVIDED BY DIRECTOR OF
ADMINISTRATION AND HUMAN RESOURCES TO DETERMINE THAT THE COMPENSATION DOES
NOT EXCEED THE LEVEL OF THE BENEFITS PROVIDED.

FORM 990, PART VI, LINE 17, LIST OF STATES RECEIVING COPY OF FORM 990:

CA, AK, AZ, FL, HI, IL, KS, MD, MA, MI, MN, NJ, NY, OH, OR, PA, SC, UT, VA, WA, AR, MO, NC, NH, AL

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule O (Form 990) 2009

932211
02-03-10

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number
94-2197343

CO, CT, GA, KY, LA, ME, MS, ND, NM, OK, TN, WV, WI, RI, DC

FORM 990, PART VI, SECTION C, LINE 19: COPIES ARE AVAILABLE ON THE
ORGANIZATIONS WEBSITE

SCHEDULE G, PART I, LINE 2B, COLUMN (V): CONTRACTED AT AN HOURLY RATE
FOR SERVICES UP TO A MAXIMUM CHARGE IN ANY ONE MONTH. MISCELLANEOUS
COSTS WILL BE REIMBURSED.

2009 DEPRECIATION AND AMORTIZATION REPORT

FORM 990 PAGE 10

990

Asset No.	Description	Date Acquired	Method	Life	C o n v	Line No.	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
1	FURNITURE AND EQUIPMENT	VARIOUS		.000		HY16	1,227,083.				1,227,083.	945,936.		90,833.	1,036,769.
2	LIBRARY	VARIOUS		.000		HY16	127,732.				127,732.	128,033.		216.	128,249.
3	LEASEHOLD IMPROVEMENTS	VARIOUS		.000		HY16	119,886.				119,886.	69,556.		23,482.	93,038.
* TOTAL 990 PAGE 10 DEPR							1,474,701.				1,474,701.	1,431,525.		114,531.	1,258,056.

928111
04-24-09

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► File a separate application for each return.

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box ☒ **X**
- If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print	Name of Exempt Organization PACIFIC LEGAL FOUNDATION	Employer identification number 94-2197343
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 3900 LENNANE DRIVE, NO. 200	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. SACRAMENTO, CA 95834	

Check type of return to be filed (file a separate application for each return):

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

PACIFIC LEGAL FOUNDATION

- The books are in the care of ► **3900 LENNANE DRIVE, SUITE 200 - SACRAMENTO, CA 95834**
Telephone No. ► **916-419-7111** FAX No. ► **916-419-7747**

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension will cover.

- 1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2010**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
► ☒ calendar year **2009** or
► ☐ tax year beginning _____, and ending _____.

- 2 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ N/A

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form 8868 (Rev. 4-2009)

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2008Open to Public
Inspection

A For the 2008 calendar year, or tax year beginning		and ending	
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization	
		PACIFIC LEGAL FOUNDATION	
		Doing Business As	
		Number and street (or P.O. box if mail is not delivered to street address)	Room/suite
		3900 LENNANE DRIVE	200
		D Employer identification number	
		94-2197343	
		E Telephone number	
		916-419-7111	
		G Gross receipts \$ 10,253,999.	
		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No	
		If "No," attach a list. (see instructions)	
		H(c) Group exemption number ▶	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c) (3) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: ▶ PACIFICLEGAL.ORG			
K Type of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1973 M State of legal domicile: CA	

Part I Summary			
Activities & Governance	1 Briefly describe the organization's mission or most significant activities: PUBLIC INTEREST LAW-PROVIDE LEGAL REPRESENTATION FOR CITIZENS ON MATTERS OF PUBLIC INTEREST AT		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	19
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	19
	5 Total number of employees (Part V, line 2a)	5	72
	6 Total number of volunteers (estimate if necessary)	6	
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	4,961.
b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	7,286,951.	8,421,307.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	372,774.	1,440,577.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	296,924.	278,561.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	128,494.	8,766.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	8,085,143.	10,149,211.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	19,500.	24,500.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	5,262,531.	5,797,712.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	182,933.	152,861.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,637,010.		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	3,088,235.	2,458,348.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	8,553,199.	8,433,421.
Net Assets or Fund Balances	19 Revenue less expenses. Subtract line 18 from line 12	-468,056.	1,715,790.
	20 Total assets (Part X, line 16)	Beginning of Year	End of Year
	21 Total liabilities (Part X, line 26)	16,184,809.	12,402,324.
	22 Net assets or fund balances. Subtract line 21 from line 20	4,411,671.	2,199,043.
		11,773,138.	10,203,281.

Part II Signature Block			
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
Sign Here	 Signature of officer		8-11-09 Date
	ROBIN L. RIVETT, PRESIDENT & CEO Type or print name and title		
Paid Preparer's Use Only	Preparer's signature Firm's name (or yours if self-employed), address, and ZIP + 4 CAMPBELL TAYLOR & COMPANY 3741 DOUGLAS BLVD, SUITE 350 ROSEVILLE, CA 95661	Date 8/11/09	Check if self-employed <input type="checkbox"/>
	Preparer's identifying number (see instructions) EIN ▶ Phone no. ▶ (916) 929-3680		

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service Accomplishments (see instructions)

- 1 Briefly describe the organization's mission: SEE SCHEDULE O FOR CONTINUATION
DEDICATED TO THE PRESERVATION OF OUR INDIVIDUAL AND ECONOMIC
LIBERTIES, PLF HAS GROWN TO BE THE OLDEST AND LARGEST PUBLIC INTEREST
LEGAL FOUNDATION OF ITS KIND IN THE NATION. FOUNDED IN SACRAMENTO,
CALIFORNIA IN 1973, PLF SUPPORTS THE PRINCIPLES OF LIMITED GOVERNMENT,
- 2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
 If "Yes", describe these new services on Schedule O.
- 3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
 If "Yes", describe these changes on Schedule O.
- 4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

SEE SCHEDULE O FOR CONTINUATION(S)

- 4a (Code:) (Expenses \$ 4,716,618. including grants of \$) (Revenue \$)
LEGAL PROGRAM: DURING 2008, PLF WORKED ON 202 CASES. THE FOLLOWING ARE
HIGHLIGHTS: PROPERTY RIGHTS: 1)THE COURT OF FEDERAL CLAIMS TO AWARD
THE ESTATE OF WAYNE HAGE \$4.2 MILLION IN DAMAGES FOR THE REGULATORY
TAKING OF HIS RANCH PROPERTY. 2)EL DORADO COUNTY, CALIFORNIA SETTLED
WITH OUR CLIENTS, THE DUTTAS, WHO HAD BEEN TOLD THEY HAD TO GRANT AN
EASEMENT FOR LOW-FLYING AIRCRAFT IN EXCHANGE FOR A PERMIT TO CONSTRUCT
A SMALL STORAGE SHED. 3)THE CALIFORNIA COURT OF APPEAL IN MONKS V CITY
OF PALOS VERDES HELD THAT PROPERTY OWNERS SUBJECT TO AN UNNECESSARY
BUILDING MORATORIUM, PURPORTEDLY ADOPTED TO AVOID LANDSLIDES, WAS A
TOTAL TAKING. 4)IN CASITAS V UNITED STATES, THE FEDERAL CIRCUIT COURT
OF APPEALS FOUND A TAKING AS A RESULT OF A WATER RIGHT WHEN THE OWNER
WAS FORCED TO DIVERT WATER FOR AN ENDANGERED SPECIES. 5)WE SUCCEEDED IN
- 4b (Code:) (Expenses \$ 1,194,882. including grants of \$) (Revenue \$)
PUBLIC EDUCATION: IN 2008, PLF USED A COMPREHENSIVE PROGRAM OF FOCUSED
MEDIA RELATIONS, WEB ENHANCEMENTS, AND DIRECT PUBLIC OUTREACH.

WESTLAWS'S SEARCH ENGINE REPORTS MORE THAN 680 DISPATCHES DEALING WITH
"PACIFIC LEGAL FOUNDATION" IN NEWSPAPERS AND NEWswire SERVICES IN THE
PAST 15 MONTHS. PLF ATTORNEYS WERE FEATURED IN MORE THAN 30 INTERVIEWS
ON MAJOR TELEVISION NETWORKS AND THEY AUTHORED MORE THAN 20 OPINION
ARTICLES FOR DAILY NEWSPAPERS.

PLF STAFF PARTICIPATED IN MORE THAN 30 SPEECHES, FORUMS OR DEBATES.

"RESCUING LIBERTY", PLF'S QUARTERLY NEWSLETTER IS SENT TO 14,000

- 4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

- 4d Other program services. (Describe in Schedule O.)
 (Expenses \$ including grants of \$) (Revenue \$)
- 4e Total program service expenses \$ 5,911,500. (Must equal Part IX, Line 25, column (B).)

Form 990 (2008)

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		X
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	X	
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII	X	
13 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the U.S.?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III		X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	X	
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	X	
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H		X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	X	
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		X

Form 990 (2008)

Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i>	28a	X
b Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i>	28b	X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35	X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	X

Form 990 (2008)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	21	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	72	
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4b	If "Yes," enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6a	Did the organization solicit any contributions that were not tax deductible?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?		X
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		X
7h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		X
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9a	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds. Did the organization make any taxable distributions under section 4966?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter: N/A		
10a	Initiation fees and capital contributions included on Part VIII, line 12		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter: N/A		
11a	Gross income from members or shareholders		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year N/A		

Form 990 (2008)

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**Section A. Governing Body and Management**

	Yes	No
For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.		
1a Enter the number of voting members of the governing body	1a	19
b Enter the number of voting members that are independent	1b	19
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5	X
6 Does the organization have members or stockholders?	6	X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	X
b Each committee with authority to act on behalf of the governing body?	8b	X
9a Does the organization have local chapters, branches, or affiliates?	9a	X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b	
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10	X
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11	X

Section B. Policies

	Yes	No
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	X
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	X
13 Does the organization have a written whistleblower policy?	13	X
14 Does the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a The organization's CEO, Executive Director, or top management official?	15a	X
b Other officers or key employees of the organization?	15b	X
Describe the process in Schedule O. (see instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **CA, AK, AZ, FL, HI, IL, KS, MD, MA, MI, MN, NJ**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☒ Own website ☐ Another's website ☐ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **PACIFIC LEGAL FOUNDATION - 916-419-7111**
3900 LENNANE DRIVE, SUITE 200, SACRAMENTO, CA 95834

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
ROBIN L. RIVETT PRESIDENT & CEO	37.50	X		X		X		256,598.	0.	55,282.
M. DAVID STIRLING VICE PRESIDENT	37.50	X		X				152,215.	0.	11,868.
JAMES S BURLING DIRECTOR OF LITIGATION &	37.50	X		X				191,480.	0.	27,238.
JAMES L. CLOUD TRUSTEE	1.00	X						0.	0.	0.
WADE L. HOPPING CHAIR OF THE BOARD	1.00	X		X				0.	0.	0.
LEONARD S FRANK SECRETARY-TREASURER	1.00	X		X				0.	0.	0.
RICHARD R ALBRECHT TRUSTEE	1.00	X						0.	0.	0.
THOMAS G. BOST VICE CHAIR	1.00	X		X				0.	0.	0.
GREG M. EVANS TRUSTEE	1.00	X						0.	0.	0.
RICHARD GEARY TRUSTEE	1.00	X						0.	0.	0.
TIMOTHY R. HALL TRUSTEE	1.00	X						0.	0.	0.
JOHN C. HARRIS TRUSTEE	1.00	X						0.	0.	0.
GEORGE KIMBALL TRUSTEE	1.00	X						0.	0.	0.
LORRAINE O. LEGG TRUSTEE	1.00	X						0.	0.	0.
WARNER C. LUSARDI TRUSTEE	1.00	X						0.	0.	0.
APRIL J MORRIS TRUSTEE	1.00	X						0.	0.	0.
JERRY W.P. SCHAUFFLER TRUSTEE	1.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
BRUCE C. SMITH TRUSTEE	1.00	X						0.	0.	0.
CHARLES W. TRAINOR TRUSTEE	1.00	X						0.	0.	0.
RONALD E VAN BUSKIRK TRUSTEE	1.00	X						0.	0.	0.
DONALD JOE WILLIS TRUSTEE	1.00	X						0.	0.	0.
M. REED HOPPER ATTORNEY	37.50				X			130,116.	0.	23,821.
MERIE HUBBARD ATTORNEY	37.50				X			141,580.	0.	17,531.
SHARON L. BROWNE ATTORNEY	37.50				X			174,048.	0.	24,170.
R.S. RADFORD ATTORNEY	37.50				X			150,446.	0.	22,326.
VALERIE A. FERNANDEZ ATTORNEY	37.50				X			140,248.	0.	20,092.
1b Total								1,336,731.	0.	202,328.

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization **8**

3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual

	Yes	No
3	X	
4	X	
5		X

4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
BLV AGRIBUSINESS, 2945 CANONITA DRIVE, FALLBROOK, CA 920288771	PUBLIC RELATIONS	117,221.

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization **1**

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1 a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c	464,893.				
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	7,956,414.				
	g	Noncash contributions included in lines 1a-1f: \$		249,952.				
	h	Total. Add lines 1a-1f		8421307.				
Program Service Revenue	2 a	COURT AWARDED ATTY FEE	Business Code 541100	1440577.	1440577.			
	b							
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f		1440577.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		278,561.			278,561.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross Rents	(i) Real	(ii) Personal				
		b	Less: rental expenses					
		c	Rental income or (loss)					
		d	Net rental income or (loss)					
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		b	Less: cost or other basis and sales expenses					
		c	Gain or (loss)					
		d	Net gain or (loss)					
	8 a	Gross income from fundraising events (not including \$ 464,893. of contributions reported on line 1c). See Part IV, line 18	a	59,475.				
		b	Less: direct expenses	b	104788.			
		c	Net income or (loss) from fundraising events		-45,313.	-45,313.		
	9 a	Gross income from gaming activities. See Part IV, line 19	a					
		b	Less: direct expenses	b				
		c	Net income or (loss) from gaming activities					
	10 a	Gross sales of inventory, less returns and allowances	a					
		b	Less: cost of goods sold	b				
		c	Net income or (loss) from sales of inventory					
Miscellaneous Revenue			Business Code					
11 a	EXPENSE REIMBURSEMENTS	541100	49,118.	49,118.				
b	BOOK SALES	900099	4,961.		4,961.			
c								
d	All other revenue							
e	Total. Add lines 11a-11d		54,079.					
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		10,149,211.	1444382.	4,961.	278,561.		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	24,500.	24,500.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	600,293.	465,195.	27,098.	108,000.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	4,175,841.	3,259,629.	279,283.	636,929.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	273,025.	173,245.	47,980.	51,800.
9 Other employee benefits	406,615.	231,888.	90,632.	84,095.
10 Payroll taxes	341,938.	224,163.	53,111.	64,664.
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	146,571.		146,571.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17	152,861.			152,861.
f Investment management fees				
g Other				
12 Advertising and promotion	108,659.	7,583.	83,050.	18,026.
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	575,258.	446,501.	39,461.	89,296.
17 Travel	92,470.	30,285.	8,808.	53,377.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	13,006.	9,498.	2,077.	1,431.
20 Interest	5,886.	4,590.	378.	918.
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	122,987.	95,916.	7,889.	19,182.
23 Insurance	79,414.	61,934.	5,094.	12,386.
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a PRINTING & PUBLICATIONS	320,700.	317,676.	2,946.	78.
b LITIGATION EXPENSE	286,993.	286,993.		
c REVENUE DEVELOPMENT	216,805.			216,805.
d POSTAGE & SHIPPING	178,503.	64,325.	9,206.	104,972.
e EQUIPMENT & RENTAL	81,351.	56,945.	15,457.	8,949.
f All other expenses	229,745.	150,634.	65,870.	13,241.
25 Total functional expenses. Add lines 1 through 24f	8,433,421.	5,911,500.	884,911.	1,637,010.
26 Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	771,836.	1	1,285,692.
	2 Savings and temporary cash investments	1,173,723.	2	182,616.
	3 Pledges and grants receivable, net	211,877.	3	505,085.
	4 Accounts receivable, net	7,297.	4	
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	111,173.	9	160,785.
	10a Land, buildings, and equipment: cost basis	10a 1,474,114.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D	10b 1,158,150.		
		384,651.	10c	315,964.
	11 Investments - publicly traded securities	4,843,833.	11	4,926,260.
	12 Investments - other securities. See Part IV, line 11	885,250.	12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11	7,795,169.	15	5,025,922.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	16,184,809.	16	12,402,324.	
Liabilities	17 Accounts payable and accrued expenses	380,315.	17	133,734.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D	4,031,356.	25	2,065,309.
	26 Total liabilities. Add lines 17 through 25	4,411,671.	26	2,199,043.
	Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
27 Unrestricted net assets		5,121,527.	27	5,555,613.
28 Temporarily restricted net assets		5,695,413.	28	3,980,558.
29 Permanently restricted net assets		956,198.	29	667,110.
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
30 Capital stock or trust principal, or current funds			30	
31 Paid-in or capital surplus, or land, building, or equipment fund			31	
32 Retained earnings, endowment, accumulated income, or other funds			32	
33 Total net assets or fund balances		11,773,138.	33	10,203,281.
34 Total liabilities and net assets/fund balances		16,184,809.	34	12,402,324.

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	X
b Were the organization's financial statements audited by an independent accountant?	2b	X
c If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X
b If "Yes," did the organization undergo the required audit or audits?	3b	

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	6,709,177.	6,340,726.	7,668,905.	7,286,951.	8,421,307.	36,427,066.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 - 3	6,709,177.	6,340,726.	7,668,905.	7,286,951.	8,421,307.	36,427,066.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						736,545.
6 Public Support. Subtract line 5 from line 4.						35,690,521.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4	6,709,177.	6,340,726.	7,668,905.	7,286,951.	8,421,307.	36,427,066.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	184,451.	144,075.	143,228.	400,468.	278,561.	1,150,783.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	12,833.	36,546.	23,214.	43,565.	54,079.	170,237.
11 Total support. Add lines 7 through 10						37,748,086.
12 Gross receipts from related activities, etc. (see instructions)					12	3,648,894.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	94.55 %
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	95.74 %
16a 33 1/3% support test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input checked="" type="checkbox"/>
b 33 1/3% support test - 2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

Schedule A (Form 990 or 990-EZ) 2008

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I.)**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 - 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	%

19a 33 1/3% support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Schedule D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number

94-2197343

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ►

4 Number of states where property subject to conservation easement is located ►

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ►

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ► \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1

► \$

(ii) Assets included in Form 990, Part X

► \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1

► \$

b Assets included in Form 990, Part X

► \$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition
 b ☐ Scholarly research
 c ☐ Preservation for future generations

- d ☐ Loan or exchange programs
 e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
1c	
1d	
1e	
1f	

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	5696799.				
b Contributions	733,778.				
c Investment earnings or losses	-1,274,821.				
d Grants or scholarships					
e Other expenditures for facilities and programs	275,622.				
f Administrative expenses					
g End of year balance	4880134.				

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ☒ 86.33 %
 b Permanent endowment ☒ 13.67 %
 c Term endowment ☒ .00 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
 (ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		X
3a(ii)		X
3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (Investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		1,474,114.	1,158,150.	315,964.
e Other				
Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				315,964.

Schedule D (Form 990) 2008

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	10,149,211.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	8,433,421.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	1,715,790.
4	Net unrealized gains (losses) on investments	4	-1,523,572.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-1,762,075.
9	Total adjustments (net). Add lines 4-8	9	-3,285,647.
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	-1,569,857.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	6,877,470.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	-1,523,572.
b	Donated services and use of facilities	2b	13,906.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	-1,762,075.
e	Add lines 2a through 2d	2e	-3,271,741.
3	Subtract line 2e from line 1	3	10,149,211.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	10,149,211.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	8,447,327.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	13,906.
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	13,906.
3	Subtract line 2e from line 1	3	8,433,421.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	8,433,421.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

PART XI, LINE 8 - OTHER ADJUSTMENTS:**SFAS NO.247 ADJUSTMENT FOR SPLIT INTEREST AGREEMENTS**

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

► **Attach to Form 990 or Form 990-EZ.** Must be completed by organizations that answer "Yes" to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than \$15,000 on Form 990-EZ, line 6a.

OMB No. 1545-0047

2008

Open To Public Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number

94-2197343

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a ☒ Mail solicitations
b ☐ Email solicitations
c ☒ Phone solicitations
d ☒ In-person solicitations
e ☐ Solicitation of non-government grants
f ☐ Solicitation of government grants
g ☒ Special fundraising events

2 a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

☒ Yes ☐ No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
BLV AGRIBUSINESS CONSULTANTS	PERSONAL CONTACT WITH INDIVIDUALS		X	850,293.	117,221.	733,072.
Total				850,293.	117,221.	733,072.

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing.
CA, AK, AZ, FL, HI, IL, KS, MD, MA, MI, MN, NJ, NY, OH, OR, PA, SC, UT, VA, WA, AR, MO, NC, NH, AL
CO, CT, GA, KY, LA, ME, MS, NM, OK, TN, WV, WI, RI

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Schedule G (Form 990 or 990-EZ) 2008

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

	(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
	REAGAN DINNER-INFO (event type)	OLYMPIC CLUB DINNER-INFO (event type)	2 (total number)	(Add col. (a) through col. (c))
Revenue				
1 Gross receipts	293,100.	129,713.	101,555.	524,368.
2 Less: Charitable contributions	251,925.	121,243.	91,725.	464,893.
3 Gross revenue (line 1 minus line 2)	41,175.	8,470.	9,830.	59,475.
Direct Expenses				
4 Cash prizes				
5 Non-cash prizes				
6 Rent/facility costs				
7 Other direct expenses	53,050.	24,346.	27,392.	104,788.
8 Direct expense summary. Add lines 4 through 7 in column (d)				(104,788.)
9 Net income summary. Combine lines 3 and 8 in column (d)				-45,313.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

	(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col. (a) through col. (c))
Revenue				
1 Gross revenue				
Direct Expenses				
2 Cash prizes				
3 Non-cash prizes				
4 Rent/facility costs				
5 Other direct expenses				
6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7 Direct expense summary. Add lines 2 through 5 in column (d)				()
8 Net gaming income summary. Combine lines 1 and 7 in column (d)				

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states?

b If "No," Explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?

b If "Yes," Explain: _____

11 Does the organization operate gaming activities with nonmembers?

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

	Yes	No
9a		
10a		
11		
12		

13 Indicate the percentage of gaming activity operated in:

- a** The organization's facility **13a** %
- b** An outside facility **13b** %

14 Provide the name and address of the person who prepares the organization's gaming/special events books and records:

Name ► _____

Address ► _____

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? **15a**

- b** If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____.
- c** If "Yes," enter name and address:

Name ► _____

Address ► _____

16 Gaming manager information:

Name ► _____

Gaming manager compensation ► \$ _____

Description of services provided ► _____

☐ Director/officer☐ Employee☐ Independent contractor**17** Mandatory distributions:

- a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? **17a**
- b** Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____

Department of the Treasury
Internal Revenue Service

▶ Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22.
▶ Attach to Form 990.

Name of the organization

PACIFIC LEGAL FOUNDATION

General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II **Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed

[illegible]

2 Enter total number of section 501(c)(3) and government organizations

3 Enter total number of other organizations

3 Enter total number of other organizations: **1**

Schedule I (Form 990) 2008

Part II

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
WRITING CONTEST-EDUCATION	6	24,500.	0.	WRITING COMPETITION, ARTICLES TO FURTHER PLF LEGAL/LITIGATION PROGRAM	

Part IV

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

► Attach to Form 990. To be completed by organizations that
answered "Yes" to Form 990, Part IV, line 23.

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number

94-2197343

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990,
Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision
of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors,
trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's
CEO/Executive Director. Check all that apply.

- | | |
|--|--|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a:

- a** Receive a severance payment or change of control payment? **4a**
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b**
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c**
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation
contingent on the revenues of:

- a** The organization? **5a**
- b** Any related organization? **5b**
- If "Yes," to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation
contingent on the net earnings of:

- a** The organization? **6a**
- b** Any related organization? **6b**
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments
not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the
initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

X

X

X

X

X

X

X

X

X

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Schedule J (Form 990) 2008

SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

NonCash Contributions

► To be completed by organizations that answered
"Yes" on Form 990, Part IV, lines 29 or 30.

► Attach to Form 990.

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number

94-2197343

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	21	249,952	NYSE MARKET VALUE
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution (historic structures)				
14 Qualified conservation contribution (other) ...				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (.....				
26 Other ► (.....				
27 Other ► (.....				
28 Other ► (.....				

29 Number of Forms 8283 received by the organization during the tax year for contributions
for which the organization completed Form 8283, Part IV, Donee Acknowledgment

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for
at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for
the entire holding period?

b If "Yes," describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash
contributions?

b If "Yes," describe in Part II.

33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked,
describe in Part II.

	Yes	No
30a		X
31	X	
32a		X

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Schedule M (Form 990) 2008

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

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2008

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number
94-2197343

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

ALL LEVELS OF THE ADMINISTRATIVE AND JUDICIAL PROCESS.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

INDIVIDUAL OPPORTUNITY, AND THE RIGHTS OF PRIVATE PROPERTY OWNERS.

THROUGH THE COURTS, PLF ESTABLISHES LEGAL PRECEDENTS THAT SERVE TO PROTECT AND PRESERVE THE CONSTITUTIONAL LIBERTIES HANDED DOWN FROM OUR FOUNDING FATHERS.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS

OVERTURNING THE COASTAL COMMISSION DECISION NOT TO PERMIT A SAFETY FENCE AT THE BASE OF A BLUFF WHERE TWO YOUTHS HAD DIED BEFORE THE FENCE WAS INSTALLED.

INDIVIDUAL RIGHTS: 1) IN MICHIGAN WE SUCCESSFULLY SUPPORTED THE CONSTITUTIONALITY OF PROPOSITION 2-THE MICHIGAN VERSION OF CALIFORNIA'S PROPOSITION 209. 2) IN ROTHE DEVELOPMENT V DEPARTMENT OF DEFENSE THE FEDERAL CIRCUIT RULED IN FAVOR OF OUR ARGUMENTS AGAINST MINORITY SET ASIDES IN CONTRACTING. 3) WE WERE SUCCESSFUL IN OUR CHALLENGE TO HUMBOLDT COUNTY'S MEASURE T, WHICH PROHIBITED ALL POLITICAL CONTRIBUTIONS BY CORPORATIONS.

FREE ENTERPRISE: 1) A DECISION FROM THE RHODE ISLAND SUPREME COURT FOUND NO LIABILITY FOR ALLEGED LEAD PAINT INJURIES. THE COURT MADE IT QUITE CLEAR THAT THE COURTS WERE NOT TO BE USED TO LEGISLATE RELIEF NOT ALLOWED BY STATUTE. 2) IN MERRIFIELD V LOCKYER, WE WON IN THE NINTH CIRCUIT ON BEHALF OF A STRUCTURAL PEST CONTROL COMPANY (IE AN INSTALLER OF SPIKES AND BARRIERS) WHO WAS TOLD HE COULD NOT OPERATE WITHOUT

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Schedule O (Form 990) 2008

832211
12-18-08

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public
Inspection

Employer identification number
94-2197343

PACIFIC LEGAL FOUNDATION

BECOMING CERTIFIED TO USE PESTICIDES THAT HE NEVER USED. 3) PLF IS PURSUING AN ECONOMIC FREEDOM CASE ON BEHALF OF BRIAN SWEET, WHO CANNOT GET A PERMIT AS A MOVER WITHOUT THE PERMISSION OF HIS COMPETITORS.

ENVIRONMENT: 1)WE HAD A VICTORY FROM THE SUPREME COURT IN WINTERS V NRDC, WHERE WE ARGUED THAT INJUNCTIONS SHOULD BE ISSUED ONLY AFTER WEIGHING BENEFITS AGAINST HARMS-EVEN IN ENVIRONMENTAL CASES 2)IN OREGON NATURAL DESERT ASSOCIATION V USFWS WE WERE SUCCESSFUL IN SUPPORTING THE RULE THAT THE CLEAN WATER ACT DOES NOT REQUIRE CERTIFICATION FOR CATTLE GRAZING PERMITS. 3) IN EPIC V PALCO, THE COURT RULED THAT TIMBER COMPANIES COULD NOT RELY ON A STATE "NO SUPRISES" RULE WITH RESPECT TO ENDANGERED SPECIES. THE COURT ALSO HELD THAT THE PUBLIC TRUST DOCTRINE WAS NOT A REASON TO DENY THE TIMBER HARVEST. 4)WE HAD A SERIES OF DECISIONS UNDER THE FEDERAL ENDANGERED SPECIES ACT, WHERE WE CONTINUE TO CONVINCE THE COURTS NOT TO LIST AS THREATENED OR ENDANGERED SUBSETS OF SPECIES THAT ARE NOT WARRANTED UNDER THE ACT. 5) WE ARE CHALLENGING THE LISTING OF THE POLAR BEAR UNDER THE ENDANGERED SPECIES ACT. A LISTING OF AN ANIMAL THAT HAS INCREASED IN POPULATION FROM 5,000 IN THE MIDDLE OF THE LAST CENTURY TO 25,000 TODAY IS UNWARRANTED.

NATIONAL PROGRAM: 1) OUR WASHINGTON OFFICE HAD A VICTORY IN SWINOMISH V SKAGIT COUNTY WHERE A COURT STRUCK DOWN KING COUNTY SET ASIDE OF 50% TO 65% OF RURAL TRACTS AS OPEN SPACE IN ORDER TO OBTAIN BUILDING PERMITS. 2)IN THURSTON COUNTY V WESTERN WASHINGTON GROWTH MANAGEMENT HEARINGS BOARD, WE OBTAINED A RULE THAT GROWTH MANAGEMENT BOARDS CANNOT LEGISLATE AND ADOPT BRIGHT-LINE RULES. 3)WE CONTINUE TO LITIGATE ON BEHALF OF THE LUHRS, IN THEIR ATTEMPT TO BUILD A SEAWALL TO PROTECT THEIR PROPERTY. 4)WE REACHED A SETTLEMENT WITH THE GOVERNMENT IN THE

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule O (Form 990) 2008

832211
12-18-08

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number
94-2197343

LEU CASE, WHERE THE GOVERNMENT HAS NOW AGREED THAT THE LEUS' GARDEN WALL DOES NOT CONSTITUTE A THREAT TO NATIONAL SECURITY. 5) THE FLORIDA OFFICE MOST RECENTLY OBTAINED A VICTORY IN SHANDS, WHERE THE COURT OF APPEAL HELD THAT WE CAN PURSUE THE SHANDS' TAKINGS CLAIM STEMMING FROM A PROHIBITION ON ALL BUILDING ON THEIR SMALL ISLAND. MORE DETAILS ON THESE AND OTHER CASES MAY BE VIEWED AT WWW.PACIFICLEGAL.ORG

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS READERS; TWO-PAGE "AT ISSUES" ARE SENT TO 20,000 READERS, THE "PLF SENTRY", IS E-MAILED TO APPROXIMATELY 3,000 SUBSCRIBERS, AND THE "PLF COASTAL GUARDIAN" HAS 250 SUBSCRIBERS.

PLF'S WEB SITE FEATURES NEW ELEMENTS SUCH AS SLIDE SHOWS, VIDEOS, PODCASTS, AND BLOGS.

FORM 990, PART VI, SECTION A, LINE 2: KEY EMPLOYEES R.S. RADFORD AND SHARON BROWNE ARE MARRIED.

FORM 990, PART VI, SECTION A, LINE 10: THE TAX PREPARER AND PLF FINANCIAL MANAGEMENT PRESENT THE FORM 990 TO THE AUDIT COMMITTEE. UPON COMPLETION OF THAT PRESENTATION, PROVIDE EACH TRUSTEE A COPY OF THE FORM 990, GIVING THEM THE OPPORTUNITY TO RAISE ANY CONCERNS AND/OR ASK QUESTIONS PRIOR TO THE FILING DATE. A DEADLINE IS GIVEN TO THE TRUSTEES TO INSURE TIMELY FILING OF THE TAX RETURN.

FORM 990, PART VI, SECTION B, LINE 12C: EACH TIME A NEW CASE COMES UP, PLF

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule O (Form 990) 2008

832211
12-18-08

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

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PACIFIC LEGAL FOUNDATION

CHECKS FOR CONFLICTS. EACH DECISION MADE BY THE BOARD, IF SOMEONE HAS A
CONFLICT, THE BOARD MEMBER WILL ABSTAIN FROM THE VOTE AND/OR DISCUSSION.

FORM 990, PART VI, SECTION B, LINE 15: COMPENSATION COMMITTEE OF THE BOARD
MEETS ANNUALLY AND USES COMPARABILITY DATA PROVIDED BY DIRECTOR OF
ADMINISTRATION AND HUMAN RESOURCES TO DETERMINE THAT THE COMPENSATION DOES
NOT EXCEED THE LEVEL OF THE BENEFITS PROVIDED.

FORM 990, PART VI, LINE 17, LIST OF STATES RECEIVING COPY OF FORM 990:
CA, AK, AZ, FL, HI, IL, KS, MD, MA, MI, MN, NJ, NY, OH, OR, PA, SC, UT, VA, WA, AR, MO, NC, NH, AL
CO, CT, GA, KY, LA, ME, MS, NH, NM, OK, TN, WV, WI, RI

FORM 990, PART VI, SECTION C, LINE 19: COPIES ARE AVAILABLE ON THE
ORGANIZATIONS WEBSITE

SCHEDULE G, PART I, LINE 2B, COLUMN (V): CONTRACTED AT AN HOURLY RATE
FOR SERVICES UP TO A MAXIMUM CHARGE IN ANY ONE MONTH. MISCELLANEOUS
COSTS WILL BE REIMBURSED.

FORM 990 PAGE 10

990

328111 (D) - Asset disposed
 * ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

33.1