

Meeting Minutes
Fair Political Practices Commission
Law and Policy Committee Meeting
March 7, 2024
10:00 am

The Law and Policy Committee meeting was called to order at 10:28 a.m.

1. Public Comment for items not on the agenda.

Stephen Petzold, Santa Clarita, questioned whether members of the Citizens Oversight Committee should be made subject to the conflict of interest code and stated he has found many areas where different jurisdictions have different criteria.

Public Commenter, Resident of Fremont, discussed the length of time for processing of specific complaints. Chair Miadich let the commenter know the agency's Chief of Enforcement would reach out to the complainant with an update.

2. Approval of January 2024 minutes.

MOTION: To approve January 2024 Committee minutes. Moved by Commissioner Baker, seconded by Chair Miadich. The motion was approved 2-0.

3. Legislative Update.

Lindsey Nakano, Senior FPPC Legislative Counsel, presented her report on legislation, mentioning there are 19 FPPC related bills. Ms. Nakano gave an update on timing for spot bills and Committee membership changes.

Chair Miadich disclosed ex parte conversations with Assembly Member Ramos and his staff.

Chair Miadich stated he heard there was interest in a bill to tighten up Form 807s and tightening the requirements on reporting by entities that pay for legislator travel. Ms. Nakano stated a stakeholder had reached out on that bill, but she hasn't heard of an author.

In discussing AB 2803 (Valencia), Chair Miadich stated it was important to have clear definitions of crimes of moral turpitude and fraud and asked whether the intention of the bill is to allow the use of campaign funds in a legal defense fund at the outset of charges. Ms. Nakano stated she believes the

intent is for the candidate to use funds for other charges but not for the certain felonies and offences if convicted but still in discussion. Chair Miadich clarified that unless you're convicted, you don't have to pay the money back. The Chair asked what happens if the case is settled. Ms. Nakano stated the trigger is conviction but it is unclear if settlement is included in the current language. Chair Miadich also stated he believed the record keeping being difficult since attorney time is privileged and asked Ms. Nakano to look into how that would work looking at private attorney general statutes for guidance. Finally, Chair Miadich asked what the current law is for auditing legal defense funds. Ms. Nakano stated when a candidate is audited, their legal defense fund is audited but she will look into it. General Counsel Bainbridge noted that there are not mandatory audit requirements for legal defense funds in the Act. Chair Miadich asked if we should consider adding a mandatory audit component to this bill. Commissioner Baker noted that if a candidate is not selected in the draw, their legal defense fund would not be audited and whether we can provide any audit considerations from our own audit experience to assist with this part of the legislation.

Chair Miadich discussed SB 1170 (use of campaign funds for mental health expenses) and asked why the Act specifically states you can't use campaign funds for personal health services. Ms. Nakano stated she could not find historical intent but believes it is because it's generally considered personal use. Chair Miadich discussed the recent exemption for childcare which used to have the same personal use consideration. Chair Miadich asked why only the non-incumbent candidates fall under this law. Ms. Nakano stated that the author was trying to keep the legislation narrow and their general belief that an incumbent would have benefits from the office they currently hold. Chair Miadich asked if local officials have health care. Commissioner Baker stated it depends on the board or commission on whether you receive health care but many do not. Chair Miadich asked if this would apply to a pre-existing condition. Ms. Nakano stated the language is specific to mental health issues arising during the campaign or a condition adversely affected by the campaign activities so the implication is that an exacerbated condition would be covered. Chair Miadich asked if this is for

coverage of care that has been denied by the insurance company or the doctor. Ms. Nakano said she would look into it. Chair Miadich asked how the payments would be justified and Ms. Nakano said it would regular campaign reporting and recordkeeping. Chair Miadich asked if there were limitations on the types of treatments that could be paid for using campaign funds. Ms. Nakano stated only treatments that fall under the definition of mental health services.

Commissioner Baker asked who will decide compliance and how will that be decided. For example, is it an insurance denial requested by the doctor, are there medications that are included, or is it a licensed professional, a non-licensed professional. Commissioner Baker asked if this is consistent with the purposes of the Act and what are the options to claw back the expenses we find are not allowable. Commission Baker asked what the opportunities for abuse are and what are some of the protections to stop abuse of the law.

Commissioner Baker discussed AB 2803 and asked how expenses would be tracked and reported and what if there is a plea deal or what if it goes to an appeal. Commissioner Baker also wanted to know if this would affect the person's access to a public defender because of access to these funds.

Commissioner Baker discussed a previous bill on sexual assault and sexual harassment that didn't pass and asked if the language could be used to help. Chair Miadich stated there was a bill that did pass a couple years ago that covered sexual harassment. Commissioner Baker stated the bill seems to focus on criminal charges and asked if that is meant to create a loophole for civil complaints.

Commissioner Baker discussed SB 1151 regarding foreign agents is interesting and would like to know if it has been tried before and if there are any lessons to be learned from previous attempts.

Commissioner Baker asked about the scope of the bill regarding revolving door and if it applies to staff. Ms. Nakano clarified that it is appointed heads of agencies and elected officials and not staff.

Chair Miadich clarified that the Commission has not been asked to take a position on any of the bills yet other than the ones we sponsored. Ms. Nakano stated none of the authors have asked for a position yet and that usually that step would come in April or May.

4. Discussion of items for the next Committee meeting.

Commissioner Baker asked if there was an update on Chair Miadich's comments on the travel requirements. Chair Miadich stated after there was a CalMatters article on the issue, staff did research, and the end result is there would need to be a legislative fix but that they legislature may already be moving on that.

MOTION: To adjourn the meeting. Moved by Chair Miadich, seconded by Commissioner Baker. The motion was approved 2-0.

The meeting adjourned at 11:18 a.m.