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August 21, 2013

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VIA U.S. MAIL AND E-MAIL

Chair Ann Ravel
Commissioner Eric S. Casher
Commissioner Sean Eskovitz
Commissioner Gavin Hachiya Wasserman
Commissioner Patricia Wynne
Fair Political Practices Commission
428 J Street, Suite 620
Sacramento, CA 95814-0886

Re: <u>Proposed Regulation 18950.3 – Payments in Connection with a</u>

Speech

Dear Chair Ravel and Commissioners:

First, I would like to take this opportunity to commend the Commission and your staff for completing the arduous process of simplifying and clarifying the gift and travel regulations. Generally speaking, I think you have accomplished those goals.

In furtherance of those goals, I am writing to comment on proposed Regulation 18950.3. Unlike the other proposed regulations before you, proposed Regulation 18950.3 really is not a travel regulation at all. Rather, it contains a longstanding exception to the gift rules for benefits received in connection with the making of a speech. Thus, for the sake of clarity, I urge you to consider moving that language into existing Regulation 18942.

As you are aware, Regulation 18942 contains the exceptions to the definition of "gift." Proposed Regulation 18950.3, in staff's own words "operates as a gift exception" and "is the same exception that previously existed under the gift exceptions (Regulation 18942)." (FPPC Staff Memorandum, dated August 12, 2013, p. 12.) Placing this gift exception with the travel regulations would make it difficult to find, especially for those unfamiliar with the Commission's regulations. Of course, if moved, this language will require a reincorporation, or, at the very least, a cross-reference to the speech definition in proposed Regulation 18950(a)(2), in order to ensure that the public has access to the operative language regarding what qualifies as a speech for purposes of the exception. (On that note, I also support replacing the proposed definition of speech contained in proposed Regulation 18950(a)(2) with the current definition of speech contained in existing Regulation 18950.3(a)(1), which I understand has already been

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recommended by staff.)

I thank you for the opportunity to comment on this issue. Unfortunately, I will not be present at your meeting on Thursday; however my associate, Joe Guardarrama, will be there should you have any follow-up questions.

Very truly yours,

Stephen J. Kaufman
Stephen J. Kaufman

Attorney

SJK:qr

cc: Zackery P. Morazzini William J. Lenkeit