

Notice
Fair Political Practices Commission
Law and Policy Committee Meetingⁱ
April 20, 2020 10:00 a.m.
Unapproved Minutes

The Law and Policy Committee was called to order at 10:00 a.m.

1. Public Comment for items not on the agenda

- a. There was no public comment.

2. Approval of previous Law and Policy Committee Minutes

- a. Commissioner Hayward moved to approve the February 5, 2020 Committee minutes. The motion was approved 2-0.
- b. Commissioner Hayward moved to approve the March 11, 2020 Committee minutes. The motion was approved 2-0.

3. Limited Liability Companies (LLCS) Interested Person's meetings.

- a. Toren Lewis, Commission Counsel, presented the issues of disclosure by Limited Liability Companies who participate in political activities in California elections. He also gave an update on the proposed legislative and regulatory solutions that Staff has been researching, noting that legislation is currently on hold due to COVID-19.
- b. Mr. Lewis stated that staff has drafted two proposed regulations.
 - i. Regulation 18402.2 Limited Liability Responsible Officer. The individual primarily responsible for approving the political activity of the LLC. This draft would require that at least one individual should be named if responsible.
 - ii. Regulation 18421.10 Reporting Contributions from Limited Liability Companies. This addresses that the committee receiving contributions from an LLC should include the individual responsible for the LLC political activity. This regulation would also provide that committees that receive contributions over \$100 from an LLC would be required to list the name as the LLC's principle officer.
- c. Chair Miadich asked Mr. Lewis to give a background on how Regulation 18402.2 was drafted. Mr. Lewis stated that this regulation is a restatement and clarification of existing law as it applies to a specific type of entity where there is a lack of disclosure.
- d. Ashley Titus, Bell, McAndrews & Hiltachk, suggested in Regulation 18421.10, to place the name of responsible officer of the LLC in a different field location instead of placing it in the name of the LLC filer field. This issue could arise when identifying which LLC is from the same entity based off the name.

- e. Elli Abdoli, Nielsen Merksamer, stated the timing of this discussion is too difficult during the current pandemic for people to provide good feedback. Chair Miadich stated the intention is to gather information and feedback for Staff to further work on the regulations but that the regulations are not currently calendared for approval.
- f. Emily Andrews, Olson Remcho, asked whether there was any thought of a timeline for requiring LLCs to provide information on Regulation 18421.10. Mr. Lewis clarified that the timing would be the same as the information currently required from a contributor. Chair Miadich asked Mr. Lewis if he wanted to make an explicit cross reference on the 60-day timeline. Mr. Lewis agreed that he could add the explicit cross reference on the regulation.

4. Legislative Update.

- a. Dave Bainbridge, General Counsel, provided a legislative update stating that the Senate and Assembly Elections and Redistricting Committees will be focusing on budget and COVID-19 items when back in session. Mr. Bainbridge also stated that AB 2559, the E-filing bill, could be on hold until next year.
- b. Chair Miadich asked Mr. Bainbridge to report back at a future Committee meeting about what the regulatory options are for the challenges of invitation only event gifts.

Chair Miadich added that there would be an IP meeting on behested payments in May as part of the next Committee meeting.

The meeting concluded at 10:29 a.m.

ADDITIONAL INFORMATION.

- You may listen to and participate in this committee meeting by teleconference by calling: (877) 411-9748; access code 723284.
- For questions about this meeting, you may contact the Commission Assistant at (916) 322-5660.

ⁱ The Commission has established two separate two-person standing advisory committees, the Budget and Personnel Committee and the Law and Policy Committee, to allow greater participation by individual Commissioners in making recommendations to the full Commission. In recognition of the public's interest in the meetings of these committees, the Commission has directed the committees to allow the public to monitor committee deliberations, whenever possible, by publishing a five-day notice of the meeting and allowing callers to listen to the proceeding with a call-in telephone number. Additionally, the Commission is permitting public participation in the noticed meeting in person or via telephone.

As two-person advisory committees, Bagley Keene Open Meeting Requirements (Government Code Sections 11120 - 11132) do not apply to the committee meeting. However, the Commission will be soliciting public comment before and during the meeting. If you would like to comment on an agenda item prior to the meeting, you may email your comments to the Commission Assistant at CommAsst@fppc.ca.gov. Any comments submitted prior to the meeting will be provided to the committee members for consideration at the meeting.