

**Meeting Minutes**  
**Fair Political Practices Commission**  
**Law and Policy Committee Meeting**  
**May 07, 2024**  
**10:00 am**

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The Law and Policy Committee meeting was called to order at 10:07 a.m.

**1. Public Comment for items not on the agenda.**

**2. Approval of March 2024 minutes.**

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

**3. Statement of Economic Interests and Citizens' Oversight Committees.**

Dave Bainbridge, General Counsel, presented a slide deck giving an overview on statement of economic interests, citizens' bond oversight committees, and conflict of interest codes.

Chair Silver asked if the Office of the Attorney General ever advised whether these types of bodies are subject to Form 700s. Mr. Bainbridge responded that our research didn't find any Attorney General's Opinion letters on this.

Chair Silver asked if it is common for school districts to consider the findings of these bodies in making decisions. Mr. Bainbridge stated I would assume they pay attention to them, but they're intended as a check to provide information to the public.

Commissioner Baker asked if he was able to find any local school district that have, on their own, chosen to require a Form 700 even if it is not required. Mr. Bainbridge replied yes, they did. A survey was conducted and found out of 17 surveyed we found 14 that had adopted or had required their members to file an SEI.

Commissioner Baker questioned the listed items (5)(c) and (e) which say that part of what they do is make recommendations regarding the cost-effective use and efficient use of facilities and recommendations regarding joint use of core facilities and asked how those jive with the idea that they're not making recommendations to a governmental body, and they are just reporting. Mr. Bainbridge said it is because their recommendations are for public information. It is said indirectly to the government

agency by saying this is how the money should be spent but it's not a recommendation for the purposes of directly influencing a governmental decision.

Commissioner Baker asked if that is what's happening on paper versus what's happening practically. Mr. Bainbridge stated he doesn't know how far each committee deviates from statute, but he believes the school districts that included them in their conflict of interest code did so out of an abundance of caution not realizing they were advisory committees.

Commissioner Baker asked how the school district can change their conflict of interest code to include the bond oversight committee. Mr. Bainbridge stated the best way is to have a statutory change to have a requirement that board members file SEIs because right now the requirement could be challenged based on the statutory language.

Chair Silver asked what agencies the FPPC has authority over for requiring SEI filing. Mr. Bainbridge stated the FPPC is the code reviewing body for state agencies and he will go into more detail on that process at the May Commission meeting.

Missy, a current member of the Citizens Bond Oversight Committee for her local community college in Los Angeles County, gave public comment to discuss her role on the committee and discussed that there is not a lot of interaction between the committee and the public, but the Chair does put out a report on what has happened at committee meetings.

Chair Silver asked who the code reviewing body for the bond oversight committees is. Mr. Bainbridge stated it depends on the jurisdiction, but it could be the county or the FPPC.

Steve Petzold, Santa Clarita, gave public comment thanking Mr. Bainbridge for his presentation. He further described what happens in practice, which is, a lot of abuse.

Chair Silver asked Mr. Bainbridge if we have enforcement authority under the Education Code. Mr. Bainbridge replied we do not and Enforcement does not typically advise on the laws outside of 1090 or the individual agencies.

#### **4. Legislative Update.**

Lindsey Nakano, Senior FPPC Legislative Counsel, presented her report on legislation, mentioning there are 21 FPPC-related bills.

Chair Silver asked if AB 1170 did go to Assembly Judiciary and, if not, what was the basis for sending it to Senate Judiciary. Ms. Nakano stated that she doesn't believe it went to the Assembly Judiciary Committee, but the Senate Judiciary Committee is a little bit more inclusive in what they like to pull in and her guess would be is that it's because it affects the Form 700s of certain people in the Judiciary.

Commissioner Baker asked about the fee in SB 1404 and if it was an annual gap and not on a onetime gap. Ms. Nakano recognized that it will be an annual gap in funding supplemented by the State.

Chair Silver recognized the FPPC Audit Division's recent discretionary audit of five lobbying entities, where four of the five audits identified material violations of the lobbying rules. Chair Silver directed the public to review the FPPC's May 2024 Executive Staff Report to learn more about these audits and the need for SB 1404.

Commissioner Baker questioned if there were any ways AB 2573 could be abused. Ms. Nakano and Mr. Bainbridge responded saying that the behested payment reporting requirements would apply.

Commissioner Baker continued by asking if it was not behested, but it's just offered, is there any other way the fellow being provided to the legislator would be made available to the public. Ms. Nakano replied not to her knowledge. Chair Silver questioned whether this legislation is necessary.

Commissioner Baker asked Ms. Nakano to reach out to the author of AB 3239 to ask what the firsthand experience that brought this bill forward since it came late in the legislative cycle.

Chair Silver asked is there any consideration to raising that limit from \$250 to a higher number in SB 1181. Ms. Nakano answered by saying not at the moment, however, if the Commission would like to provide some feedback on that, she would be happy to share. Chair Silver asked how the described changes differ from the changes in the Dodd bill. Ms. Nakano stated they are both different, covering different subjects and areas. Chair Silver asked if we have any idea how the proponents of the legislation that Mr. Glazer passed last year feel about these changes as well as the proponents who are in support of Mr. Dodd's bill. Ms. Nakano responded it was her understanding that the author's office has been working

specifically with Common Cause on these amendments since they were the proponents of the bill from two years ago and have been very involved with this area. However, she does not know if the proponents of the Dodd bill and prior bills were engaged.

Commissioner Baker referred to one out of the four amendments and asked 2 questions: First, Are we generally talking about labor contracts, and do we have a sense what type of contracts are most likely to fall within that frame. Second, is it really any modification because that is potentially a large waiver of modification. Ms. Nakano replied that she would gather more information to be able to answer those questions.

Chair Silver asked about the thresholds for having a conflict of interest under Section 84308 versus Section 87100. Under Section 84308 you could have a conflict if you received contributions of \$250 or more from a party whereas under Section 87100 you could receive up to \$589 in gifts in the past 12 months and not have a conflict of interest. Mr. Bainbridge responded that Chair Silver is correct and stated that one is in consideration as a campaign contribution as the latter is talking about a gift directly to the official.

Chair Silver asked if there will be any costs related to SB 1181 once it adopts the amendments that were laid out. Ms. Nakano replied saying she does not think so, however, she will consult further with the Legal Division.

Commissioner Baker would like to discuss the NDA issue again in the fall for a possible legislative proposal for next year.

##### **5. Discussion of items for the next Committee meeting.**

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

The meeting adjourned at 11:18 a.m.