



## FAIR POLITICAL PRACTICES COMMISSION

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June 27, 2013

Bruce D. George  
Anchor Capital Advisors, LLC

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### Advisory Letter Re: FPPC No. 13/0393, Bruce D. George; MD Sass Securities, LLC

Dear Mr. George:

The Fair Political Practices Commission (FPPC) enforces the provisions of the Political Reform Act (Act),<sup>1</sup> found in Government Code section 81000, et seq. This letter is in response to a non-filer referral from the California Secretary of State's office (SOS) that alleged you violated the Act's lobbyist reporting provisions. After review of the referral, the Enforcement Division has decided to close its file on this matter without initiating an enforcement action against you. The basis for this decision follows:

Under Section 86113 of the Act, lobbyists<sup>2</sup> must complete and verify a periodic report (Form 615) containing all activity expenses incurred and certain contributions made or delivered by the lobbyist during the reporting period. The Form 615 is to be provided to the lobbyist's employer<sup>3</sup> or lobbying firm<sup>4</sup> within two weeks following the end of each calendar quarter. (§ 86113.) The Form 615 is to be filed with SOS as an attachment to the Report of Lobbying Firm (Form 625), pursuant to Section 86114, or Report of Lobbyist Employer (Form 635), pursuant to Section

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<sup>1</sup> The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18110 through 18997 of Title 2 of the California Code of Regulations.

<sup>2</sup> For purposes of the Act, "Lobbyist" includes an individual:

- (1) Who receives \$2,000 or more in compensation in a calendar month for engaging in direct communication with a qualifying official for the purpose of influencing legislative or administrative action. [§ 82039 (a)(1), Reg. §§ 18239 (a)(1), (b)]
- (2) Whose principal duties as an employee (spending one-third or more of their paid work-time/month) are to engage in direct communication with a qualifying official for the purpose of influencing legislative or administrative action. [§ 82039 (a)(1); Reg. §§ 18239 (a)(2), (c)]
- (3) Who was hired by an external manager to solicit, market, consult, broker or act as an intermediary in connection with the offer or sale of securities, assets, or services of an external manager to a state public retirement system in California or an investment vehicle. [§§ 82039 (a)(2), 82047.3, 82025.3; Reg. § 18239 (a)(3)]

<sup>3</sup> For the definition of a "lobbyist employer," see § 82039.5 and Reg. § 18239.5.

<sup>4</sup> For the definition of a "lobbying firm," see § 82038.5 and Reg. § 18238.5.

86116, by the times specified in Section 86117 and in the manner required by Sections 86118 and 84605.

Thus, under the law as it is presently written, you, as the lobbyist, do not have the specific obligation to file your 615 with SOS. Instead, the failure to file is ascribed to the Firm or Employer for whom you lobby.

In this instance, the FPPC has completed its investigation of the facts and found that MD Sass Securities, LLC failed to timely file your Lobbyist Report (Form 615) as part of their Report of Lobbyist Employer (Form 635) through SOS for the following quarters:

- January 1, 2012 through March 31, 2012 (due April 30, 2012)
- April 1, 2012 through June 30, 2012 (due July 31, 2012)
- July 1, 2012 through September 30, 2012 (due October 31, 2012)
- October 1, 2012 through December 31, 2012 (due January 31, 2013)

While their actions violated the Act because they failed to file the aforementioned report(s) by the specified deadline(s), the obligation to file your 615 is not directly attributable to you. Nevertheless, although we have decided not to pursue an enforcement action against you in this matter, you are advised that your failure to comply with the provisions of the Act in the future could result in an enforcement action. Should evidence become available establishing that your firm or employer was prepared to file their report but you failed to provide your 615 in a timely fashion, the information in this case will be retained and may be used against you.

If you have further questions regarding this letter, please contact Tracey Frazier at (916) 327-2019.

Sincerely,

**REDACTED**

Gary S. Winuk  
Chief, Enforcement Division

cc: Chris Reynolds  
California Secretary of State  
Political Reform Division

GSW:tf:rb