

NOTICE AND AGENDA Commission Meeting¹

California Fair Political Practices Commission 1102 Q Street, Suite 3800 Sacramento, CA 95811

Thursday, July 15, 2021 10:00 A.M.

Under Government Code section 11123(a), all meetings of a state body are open and public, and all persons are permitted to attend any meeting of a state body, except as otherwise provided in that article.

Pursuant to Executive Order N-08-21, certain provisions of the Bagley Keene Open Meeting Act regarding public attendance at Commission meetings are suspended due to a State of Emergency in response to the COVID-19 pandemic. The Commission's hearing room will be open to the public to view the meeting and make public comment. Members of the public may also observe the meeting on YouTube or by telephone at (877) 411-9748; access code 723284, and may comment during the meeting via telephone or electronically using the Commission's public participation portal found at http://mediasite.fppc.ca.gov/. If a Commissioner is participating from a remote location, that location will not be open to the public.

Persons who, due to a disability, need assistance in order to participate in this meeting should, prior to the meeting, contact the Commission Assistant at (916) 322-5745 (voice), CommAsst@fppc.ca.gov (e-mail) and ADACoordinator@fppc.ca.gov. TTY/TDD and Speech-to-Speech users may dial 7-1-1 for the California Relay Service to submit comments on an agenda item or to request special accommodations for persons with disabilities.

The Commission may take action on any item listed on this agenda.

¹You can obtain further information about the meeting by contacting the Commission Assistant, 1102 Q Street, Suite 3000, Sacramento, CA, 95811, Tel. (916) 322-5745. Written comments on agenda items should be submitted to the Commission no later than 12:00 p.m. the day before the meeting in order to afford the Commissioners adequate time to fully consider the comments. Email comment letters directly to commAsst@fppc.ca.gov. To participate in real time, visit http://mediasite.fppc.ca.gov.

The agenda and related documents are posted on the FPPC website at www.fppc.ca.gov. Materials submitted by the public regarding each agenda item will be made available on the website.

Members of the public may listen to the meeting by phone by calling (877) 411-9748; access code 723284; or watch the meeting via Webinar at <u>YouTube</u>.

The meeting location is accessible to the disabled. Persons who, due to a disability, need assistance in order to participate in this meeting should, prior to the meeting, contact the Commission Assistant at (916) 322-5745 (voice), commAsst@fppc.ca.gov (e-mail) and ADACoordinator@fppc.ca.gov. TTY/TDD and Speech-to-Speech users may dial 7-1-1 for the California Relay Service to submit comments on an agenda item or to request special accommodations for persons with disabilities. Please allow three business days between the request and the meeting date.

Welcome

Richard C. Miadich, Chair

Public Comment

1. Public Comment for Items not on Agenda. During this comment period, any person is invited to speak on any topic that is not listed on this agenda. Action may not be taken on any matter raised during this public comment period until the matter is specifically listed on a future agenda. Those who wish to comment on an item that has been listed on this agenda may comment when that item has been opened for consideration by the Commission and before any action is taken.

Approval of Commission Minutes

2. Approval of June 2021 Commission Hearing Minutes.

Enforcement Consent Calendar 3

Items on the consent calendar will be taken up and voted on as a group. A Commissioner may request that an item be removed from consent, in which case it will be discussed separately in the meeting.

Campaign Late Filer

3. In the Matter of BluPAC and Douglas Chan; FPPC No. 16/19981. Staff: Bridgette Castillo, Senior Commission Counsel and Lance Hachigian, Special Investigator. The respondents were represented by Nick Sanders of the Sutton Law Firm. BluPAC is a non-profit civic research 501(c)(4) organization based in San Francisco, which has been renamed Response Analytics Research. Douglas Chan is the responsible officer. BluPAC became an independent expenditure committee when it paid a slate mailer organization, Citizens Economic Council, for independent expenditures to support and oppose Santa Clara City Council candidates in the November 8, 2016 General Election. BluPAC and Chan failed to timely file nine 24-hour reports, in violation of Government Code Section 84204 (1 count). Total Proposed Penalty: \$3,500.

Pre Notice Default Intent to Present Default, Decision and Order at August Commission Meeting

4. In the Matter of Taxpayers for Good Government PAC (Sponsored by Taxpayers for Good Government 501c4) and Robert Johnson; FPPC No. 16/473. Staff: Jenna C. Rinehart, Commission Counsel and Paul Rasey, Special Investigator. Taxpayers for Good Government PAC (Sponsored by Taxpayers for Good Government 501c4) is a state general purpose committee that was active during the 2016 and 2018 Primary and General Elections. Robert Johnson is the Committee's treasurer. In 2016, the Committee and Johnson failed to timely file one preelection campaign statement and twelve 24-hour reports, in violation of Government Code Sections 84200.8 and 84204 (13 counts); failed to include the full name of the Committee on three different mass mailings, in violation of Government Code Section 84305 and Regulation 18402 (3 counts); and failed to include the proper advertisement disclosure on a Facebook advertisement, in violation of Government Code Sections 84506 and 84506.5 (1 count). In 2018, the Committee and Johnson failed to timely file a preelection campaign statement and a 24-hour report, in violation of Government Code Sections 84200.5, 84200.8, and 84204 (2 counts) and failed to include the full name of the Committee on two different mailer advertisements, in violation of Government Code Sections 84502 and 84506.5 (2 counts). Additionally, the

Committee and Johnson failed to timely file eight semi-annual campaign statements, in violation of Government Code Section 84200 (8 counts); failed to timely file an amendment to the Committee's statement of organization, in violation of Government Code Section 84103 (1 count); and failed to timely pay annual fees and penalties to the Secretary of State for 2018, 2019, and 2020, in violation of Government Code Section 84101.5 (3 counts). **Total Proposed Penalty:** \$94,600.

General Items 5-12

- 5. Presentation on Donor Advised Funds, Relating to Charitable Donations and Behested Payment Reporting. Laura Seaman, Chief Executive Officer, and Carol Bradford, Senior Counsel, League of California Community Foundations
- 6. Prenotice Discussion of Proposed Regulations Related to Behested Payment Reporting. Staff: Karen Harrison, Senior Commission Counsel. Staff presents Regulation 18424 to require an official, when reporting a bested payment, to (1) include a brief description of a relationship where the official, or the official's immediate family member, is a founding member, a salaried employee, or an executive board member of a nonprofit organization payee, to the extent this information is known by the official, and (2) provide a brief description of any pending or recent proceeding before the official's agency involving the payor of the behest. Staff also presents Regulation 18424.1, to allow an official to file a behested payment report with a good faith estimate of a payment amount under certain conditions. Lastly, staff proposes to repeal Regulation 18215.3 and recast its provisions in proposed Regulation 18424.2 to address when an official's participation and appearance in a charitable fundraising solicitation will result in behested payment reporting duties. The proposed new regulations are presented for discussion and direction by the Commission and will be presented for adoption at a subsequent meeting.

Staff Memo

Proposed Adoption of Regulation 18424 Proposed Adoption of Regulation 18424.1 Proposed Adoption of Regulation 18424.2 Proposed Repeal of Regulation 18215.3

7. Adoption of Amendments to Existing Regulations and Proposed New Regulations
Concerning Disclosures on Electronic Slate Mailer and Certain Forms of
Advertisements. Staff: Katelyn Greene, Commission Counsel. Staff proposes to amend existing
regulations to clarify advertisement disclosure requirements for electronic slate mailers and to
clarify paid spokesperson disclosure requirements when a committee has coordinated with an
outside party to pay for the appearance of a spokesperson in a campaign advertisement.
Additionally, staff proposes three new regulations for adoption related to disclosure requirements
for campaign advertisements in other languages, electronic campaign advertisements that are on
listening applications, and campaign advertisements for which the Act requires disclosures, but
does not provide specific display requirements. The proposed changes were presented for
prenotice discussion and direction by the Commission at the May 2021 hearing and are now
presented for Commission adoption.

Staff Memo

Proposed Adoption of Regulation 18450.6

Proposed Adoption of Regulation 18450.7 – Option One Proposed Adoption of Regulation 18450.7 – Option Two Proposed Adoption of Regulation 18450.8 Proposed Amendments to Regulation 18435.5 Proposed Amendments to Regulation 18450.11

- **8. Website Search Function.** Staff: Loressa Hon, Chief of Administration, Larry Crabtree, Chief Information Officer, and Rieko Ivaska, Information Technology Specialist. Staff will demonstrate a proposed search function for the agency website for approval by the Commission.
- 9. Committee Updates.

Law and Policy Committee Update.
Public Outreach and Technology Committee Update.

10. Legislative Update. Staff: Lindsey Nakano, Legislative Counsel. The Commission may provide direction on sponsored legislation and other PRA related legislation. The Commission may direct staff to amend bill proposals and provide additional updates.

Legislative Update
Legislative Update - Attachment

11. Executive Staff Reports.

Enforcement Division. Angela Brereton, Chief of Enforcement Legal Division. David Bainbridge, General Counsel Administration and Technology Division, Loressa Hon, Chief of Administration Executive Director Update. Galena West, Executive Director

Executive Staff Report

12. Commissioner Comments and Proposed Future Agenda Items.

Note: Although any Commissioner may identify a topic of interest, the Commission may not substantially discuss or take action on any matter raised during the meeting that is not included on this agenda, except to decide to place the matter on the agenda of a future meeting. (Government Code Sections 11125 & 11125.7(a).)