



NOTICE AND AGENDA Commission Meeting¹

California Fair Political Practices Commission
1102 Q Street, Suite 3050
Sacramento, CA 95811

Thursday, August 17, 2023
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. The section further states that the portion of the teleconferenced meeting that is required to be open to the public must be audible to the public at the location specified in the notice of the meeting. 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 YouTube. To participate in real time, visit <http://mediasite.fppc.ca.gov/> or call (877) 411-9748; access code 723284.

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.

Commissioner Wood will be attending this meeting via teleconference from:

Room 106, Gould School of Law,
University of Southern California,
699 Exposition Blvd., Los Angeles, CA 90089.

Welcome

Richard C. Miadich, Chair

¹You can obtain further information about the meeting by contacting the Commission Assistant, 1102 Q Street, Suite 3050, 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.

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 2023 Commission Hearing Minutes.**

Consent Calendar 3 – 7

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.

Conflict of Interest Code

3. **Adoption of Amendments to Regulation 18351, FPPC Conflict of Interest Code.** Staff: Katelyn Baeta-Orick, Commission Counsel, Legal Division. Staff proposes to amend Regulation 18351 to update the positions and disclosure categories in the Commission's conflict of interest code. The proposed amendments are submitted for adoption by the Commission.

Staff Memo Adoption 18351
FPPC COI Statement of Reasons
FPPC Code

Campaign Disclosure

4. **Updated Campaign Disclosure Manuals 1 & 2.** Staff: Chloe Hackert, Education & External Affairs Unit Manager, Legal Division. Campaign disclosure manuals have been revised to reflect recent changes in legislation and Commission regulations with updates to campaign contribution limits, limited liability companies (LLC) disclosure requirements, behested payment reporting, cryptocurrency contributions, excessive contributions, advertising disclosure requirements, and other non-substantive technical changes.

Staff Memo
Campaign Disclosure Manual 1
Campaign Disclosure Manual 2

Advertisements

5. **Adoption of Proposed Form 507, Business Entity: Advocacy & Advertisements Statement of Online Activity, and Updates to Form 501, Candidate Intention Statement.** Staff: Chloe Hackert, Education & External Affairs Unit Manager, Legal Division. Staff presents proposed Form 507 for the disclosure of specified information regarding business entities that use their products or services to alter online search results or to target online advertisements as required

by legislation effective January 1, 2024. Staff proposes updates to the Form 501 instructions from recent changes in legislation and to clarify candidates reporting obligations.

Staff Memo – Forms 501, 507

Form 501

Form 507

6. **In the Matter of ACLU of Northern California; FPPC No. 18/1511.** Staff: Theresa Gilbertson, Senior Commission Counsel and Lance Hachigian, Special Investigator. The respondent is represented by James Harrison of Olson Remcho LLP. ACLU of Northern California paid for a communication that unambiguously urged a vote against clearly identified candidates in advance of the June 5, 2018 Primary Election. ACLU of Northern California failed to timely disclose reportable activity on a campaign statement and failed to timely file a 24-hour independent expenditure report, in violation of Government Code Sections 84211 and 84204 (1 count); and failed to include proper disclosure statements on an advertisement, in violation of Government Code Sections 84502, 84504.2, and 84506.5 (1 count). **Total Proposed Penalty: \$6,500.**

ACLU Stip.

Lobbying Reporting

7. **In the Matter of Dawn Addis, Dawn Addis for Assembly 2020, and Steve Black; FPPC Nos. 20/118 and 20/119.** Staff: Neal Bucknell, Senior Commission Counsel. Respondents Dawn Addis and Addis for Assembly 2020 are represented by Richard Rios of Olson Remcho LLP. Respondent Steve Black is represented by Gary Winuk of the Kaufman Legal Group. Black was a lobbyist who was registered to lobby the California State Legislature. In December 2019, Black made a contribution to Dawn Addis for Assembly 2020, in violation of Government Code Section 85702 (1 count). Additionally, Addis and Dawn Addis for Assembly 2020 accepted the contribution, in violation of Government Code Section 85702 (1 count). **Total Proposed Penalty: \$2,500.**

Dawn Addis Stip.

General Items 8-15

8. **Prenotice Discussion of Proposed Regulation 18318, Collections. Executive Director's Authority for the Settlement of an Order for Monetary Penalties.** Staff: Karen Harrison, Senior Commission Counsel. Staff presents proposed Regulation 18318, which delegates the Commission's authority to the Executive Director to settle an order for monetary penalties for a lesser sum, sets guidelines on the circumstances that will warrant a settlement, and requires executed settlements be reported to the Commission and include a brief description of the factors that justified the settlement. The proposed regulation is presented for discussion and direction by the Commission and will be presented for adoption at a subsequent meeting.

Staff Memo

Proposed Regulation 18318

9. **Prenotice Discussion of Proposed Amendment of Regulation 18531.2; Refunding of General Election Contributions after Withdrawal of Candidate, and Amendment of Regulation 18537.1; Carry Over of Contributions.** Staff: Zachary W. Norton, Senior Commission Counsel. Staff presents proposed regulations to address two circumstances concerning the return, transfer, or carry-over of campaign contributions when a candidate withdraws or otherwise does not run in the election for which the funds were raised. The proposed regulations are presented for discussion and direction by the Commission and will be presented for adoption at a subsequent meeting.

Staff Memo

Proposed Amendments to Regulation 18537.1 – Option 1

Proposed Amendments to Regulation 18537.1 – Option 2

Proposed Amendments to Regulation 18537.1 – Option 3

Proposed Amendments to Regulation 18531.2 – Option 1 and 2

Proposed Amendments to Regulation 18531.2 – Option 3

10. **Presentation on FPPC Email Advice Functions.** Staff: Assistant Chief Counsel, Sukhi K. Brar, Legal Division. Staff will provide an overview of the Commission’s email advice function and processes.

11. **Budget Act 2023-24.** Staff: Loressa Hon, Chief of Administration

Staff Memo

12. **Audit Division update.** Staff: Shrdha Shah, Chief of Audits and Assistance
The Audits and Assistance Division will provide an update on the following: audit requirements; audit process; FY 2022/23 audits; overview of audit timeline and common audit findings noted.

13. **Legislative Update.** Staff: Lindsey Nakano, Senior FPPC Legislative Counsel. The Commission will review and discuss potential sponsored and other legislation. The Commission may provide direction to staff regarding the same.

Legislative Update

14. **Executive Staff Reports.**

Enforcement Division. Christopher Burton, Acting Chief.

Audits and Assistance Division. Shrdha Shah, Chief.

Legal Division. David Bainbridge, General Counsel.

Administration and Technology Division. Loressa Hon, Chief.

Executive Director Update. Galena West, Executive Director.

Executive Staff Report

15. **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).)

- *If you need any accommodations to review the forms and manuals, please contact our Americans with Disabilities Act (ADA) Coordinator, Loressa Hon, at ADACoordinator@fppc.ca.gov.