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**January 13, 2021** 

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## FPPC Report Highlights Significant Increase in Behested Payment Activity

New reports from the California Fair Political Practices Commission (FPPC) find a dramatic increase in the use of behested payments, especially through the ongoing Covid-19 pandemic.

The FPPC, California's governmental ethics and campaign disclosure agency, found State elected officials behested up to thirty times as much money in 2020 compared to each of the previous five years. Substantial increases also occurred in reporting at the local level, the subject of the second FPPC report.

The FPPC report found State elected officials behested more than \$237 million dollars in 2020, almost ten times more than the 2019 figure of about \$24.3 million dollars, an increase of \$213 million. The amount is also more than thirty times higher than the 2016 amount of \$7.2 million dollars.

Behested payments are generally defined as payments made at the behest of an elected official that are not campaign contributions or gifts to the official, but are made principally for charitable, legislative, or governmental purposes. An example would be an elected official asking a company, group or individual to donate to a local non-profit agency, charity, food bank or local health fair.

The report also finds behested payments targeted at a "governmental" purpose rose from a low of about \$700,000 in 2017 to more than \$225 million dollars in 2020. The report finds the bulk of the money in 2020 went to statewide efforts at combatting both the health and economic effects of the pandemic.

"It's obvious the Covid 19 pandemic mobilized elected officials to raise money from a variety of sources to target the pandemic and to help ease the burden on local and State government budgets," said FPPC Chair Richard Miadich. "This report shows the breadth of the practice and the continued importance of transparency in making sure our elected officials are accountable for the vast amounts being raised, even if they are going for very worthwhile efforts."

The total amount of behests each year is as follows:

2015: \$33,233,233

2016: \$7,273,889



2017: \$9,447,865

2018: \$22,300,911

2019: \$ 24,338,659

2020: \$237,381,520

The top five businesses, groups, or individuals paying behests (payors) the past five years are all from 2020. They are:

Facebook: \$26.9M

Blue Shield of California: \$20M

Sierra Health Foundation: \$14.7M

IHeartMedia: \$13.2M

California Community Foundation: \$12.6M

The top groups, organizations or offices receiving behests (payees) over the past five years are also all from 2020. They are:

Enterprise Community Partners, Inc.: \$45M

Governor's Office: \$42.5M

Sierra Health Foundation, Center for Health Program Management: \$30.9M

California Governor's Office of Emergency Services: \$26.2M

**GMMB Inc.: \$23.1M** 

The data also shows most behests in each of the past five years consist of behested payments below \$25,000. Everything over \$5,000 is reportable.

"This huge increase in both the use and amount of behests is why we are implementing new regulations to increase transparency", said Chair Miadich. "Among them, we now require officials to disclose any ties they may have to the non-profit receiving the money. While behested payments can unquestionably

provide valuable resources to our communities, public officials have a responsibility to be transparent to the public on where the money is coming from."

In response to the increase in behested payments, the Commission pro-actively studied various issues raised and approved new regulations to increase transparency and accountability. Elected officials must now report the name of the person directing a reportable behested payment through a donor-advised fund. Officials must disclose when reporting a behested payment to a nonprofit any relationship the official, member of their staff, or immediate family member has with the nonprofit. Officials also must disclose if the person making the reportable behested payment is involved in a proceeding before the official's agency. Lastly, officials may now estimate the money raised for a nonprofit and report it within 30 days if no actual amount is available in that time frame.

There are two reports, one for State activity and the second reporting local activity.

The full reports can be found here:

**Behested Payment Transparency Report Local Data** 

**Behested Payment Transparency Report State Data**