



Friday April 21, 2023

CPTA Meeting

Welcome from President David Gould

Meeting called to order by David Gould.

Financial Status -It has been moved and seconded. Accepted.

Ken Hardy, Enforcement Director for the LA City Ethics Commission

Background- 2 years with the Ethics Commission, USC, Stanford, UCLA. Career primarily advising local level agencies and cities and counties on compliance, elected officials, union matters, public records act, land act. Both in house and in private practice.

The Ethics Commission – lobbying, governmental ethics and campaign finance.

Enforcement process similar to the FPPC.

The Fine process is very similar. More aggressive than the FPPC.

Settle most matters at the investigative agency, before going to a hearing.

With respect to Campaign Finance, we have the websites, the candidate's manual. It has sites to the charter and ordinance provisions. Website has a guide to contributors. Routine contributors.

Reach out Blanca before it becomes an enforcement matter to see if the issue can be resolved.

Most of enforcement action has been complaint driven. We have a larger staff and are trying to be able to be more proactive. Looking at mail, social media, other news sites.

Campaign Ordinance is very complicated and a Very technical law.

When do these minor issue reach a threshold for the enforcement division to take over?

The focus of the enforcement division is compliance. The enforcement team is there to investigate the violations, goal to correct matters and get them fixed sooner rather than later.

Excess contributions, money laundering, improper fundraising. Look to see if a candidate is being improper in asking for funds.

Form 57, looking at the form carefully, uploading of campaign material.

How do they know when they do not upload the communications? Usually a complaint.

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Flora Yin, attorney – with legal updates

New SB 1439 – Prevents local officials from accepting, soliciting, or directing a contribution of more than \$250.00 from a party, participant, or agent while a matter is before the agency, and for 12 months after the final decision is rendered in the proceeding. Now applies to all local officials and candidates for local offices (used to be only officials serving on bodies not directly elected by voters) and expands the prohibition from 3 months to 12 months after the matter is decided.

The new law does not apply to contributions made or received before January 1, 2023. FPPC is currently drafting regulations to cover the new expansion.

AB 775 – recurring contribution. New laws make committee get permission to do the recurring donations. Donor has to agree to recurring contributions. It cannot be a negative check off. Committees are required to send a confirmation of the recurring contributions and include instructions on how to cancel. Exception for Payroll deductions and dues contributions.

SB 794 – handling contributions over the limit. Allows a committee who receives a contribution over the limit to return all or part of it or reattribute to a new election within 14 days. Committee must let the donor know about the reattribution, and give opportunity to refund. The FPPC will be adopting a Regulation on this soon.

Digital signature, filing by email.

January 1, 2024 – Form 410 required to include 2 other individuals who have access to the bank records.

Amend to recall elections regulation.

SB 459, amends the advertising disclaimer rules. Not operative until one year after the date the Secretary of State certifies CARS.

Lobbying laws – new regulation around a lobbying arranging a gift. Lobbyist prohibitions.

Update on 2023 Conference

Location – San Diego

Date-August 16-20

Roundtable

David – Federal campaigns, they do get audited. About a year ago the FEC ramped up their enforcement campaign. Normally, they do not have audits. If you file reports that are late and consistently late, that is a trigger. Notices are sent out after reports are filed. Notices sent out RAD's are sent out after filings and you have a amount of time to respond. You can contact your analyst to get a time extension. Other triggers are if they look at a campaign due to a complaint and the numbers do not add up, they will send a notice. The audit process with the FEC is a very extensive process. One candidate audit is still going on after two years.

George Santos article on his campaign treasurer, Nancy Marks in today's NYT. Treasurers should not be afraid to call their analyst and introduce themselves. You can always call to get advice. You can also call the head of the analysts, see David for the contact information.

Steve Davey – efundraising – New user interface with the dashboard. You are going to love it. There will be a button on the Admin page for existing users to turn on the New Dashboard. After July, all new clients will have the New Dashboard. Plaid is rolled out as a new security feature. Please verify all your new accounts. CB & T does not support it yet. There is a work around, see BJ.

Members are interested in a fee structure to compare what each business charge for races/clients.