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Election Season: Compliance Tips to Steer Clear of a Political Scandal

Darrin Lim

SCCE Compliance and Ethics Institute 2016

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Introduction

Darrin Lim
Partner, Nielsen Merksamer in California

Specialty: Corporate Political Compliance

Former Legislative Staffer and TV News Anchor

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Red Flags w/ Dark Money

Hot Topics in U.S. Elections

Things to Know: Campaign Finance

Are you a Target? Reputational Risks

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Who is the Donor?

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American Politics Will Drown in a Sea of Dark Money

Actually, that's already happened.

Getty

BY CHARLES P. PIERCE SEP 16, 2016

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MORE FROM ESQUIRE

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Dark Money

Corporate $

+

Election Activity

+

Non-Profit or Trade Assoc.

+

Claim: No Disclosure

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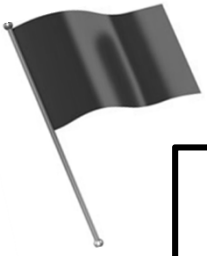

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Unique or Special Payments

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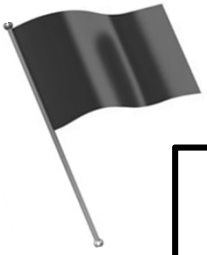

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Here Today, Gone Tomorrow

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Campaign Invoice?

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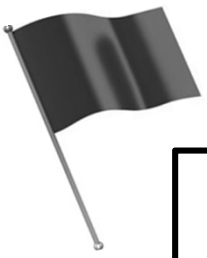

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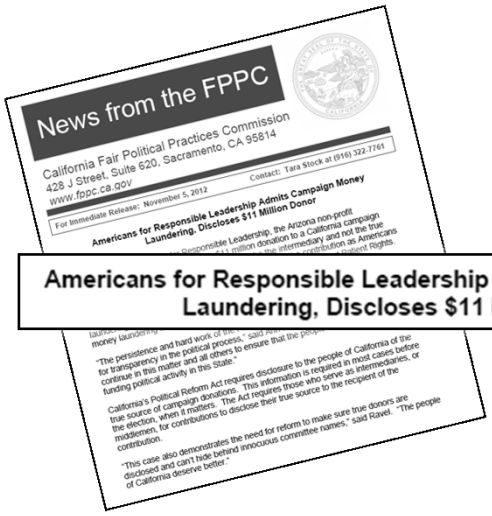

News from the FPPC

California Fair Political Practices Commission
428 J Street, Suite 620, Sacramento, CA 95814
www.fppc.ca.gov

For Immediate Release: November 5, 2012 Contact: Tara Stock at (916) 322-7761

Americans for Responsible Leadership Admits Campaign Money Laundering, Discloses $11 Million Donor

"The persistence and hard work of the ... for transparency in the political process," said ... continue in this matter and all others to ensure that the people ... funding political activity in this State."

California's Political Reform Act requires disclosure to the people of California of the true source of campaign donations. This information is required in most cases before the election, when it matters. The Act requires those who serve as intermediaries, or middlemen, for contributions to disclose their true source to the recipient of the contribution.

"This case also demonstrates the need for reform to make sure true donors are disclosed and can't hide behind innocuous committee names," said Ravel. "The people of California deserve better."

Americans for Responsible Leadership Admits Campaign Money Laundering, Discloses $11 Million Donor

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The Center for Public Integrity
Winner of the 2008 Pulitzer Prize

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Politics

Koch-backed 'dark money' groups fined for failing to disclose donors

Three conservative organizations agree to pay FEC combined $233,000

By John Dunbar email 2:45 pm, July 13, 2016 Updated: 12:12 pm, July 15, 2016

313 Shares 123 Tweets 9 comments E-mail Print

In an extraordinary move, the Federal Election Commission — frequently gridlocked and often criticized as toothless — has fined three so-called "dark money" groups funded by the donor network connected to conservative billionaire brothers Charles and David Koch a total of $233,000 for failing to reveal the source of their funds.

The fines — stemming from a 2014 complaint filed by a Citizens for Responsibility and Ethics in Washington, a watchdog organization based in Washington, D.C. — involved funding of congressional elections in 2010.

Charles Koch AP

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Foreign Money in Elections

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"Execs. plead guilty to money laundering"

San Francisco Chronicle

Funneled Contributions

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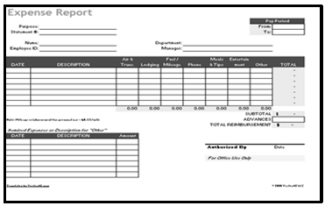
Funneled Contributions



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Source of Contribution

Corporate

PAC

Personal

21

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Source of Contribution

Corporate

PAC → Federal

PAC → State

Personal

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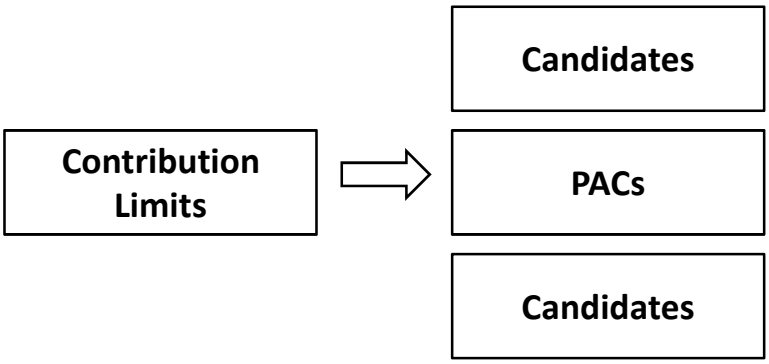
Contribution Limits



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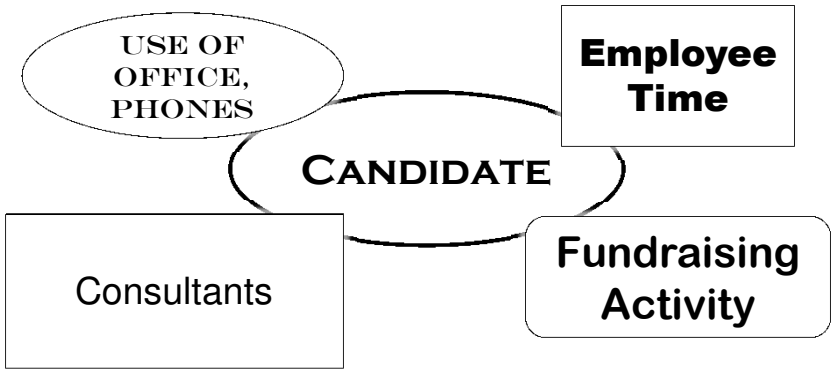
Use of Corporate Contributions



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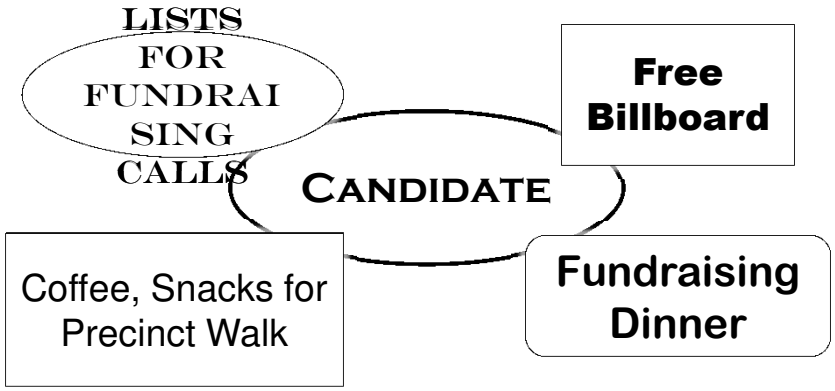
In-Kind Contributions



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In-Kind Contributions

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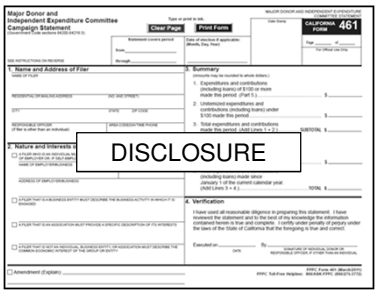
Reporting Requirements


Major Donor and Independent Expenditure Committee Campaign Statement

Clear Page | Print Form

CALIFORNIA FORM 461

1. Name and Address of Filer

3. Summary

2. Nature and Interests of

4. Verification

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San Francisco Chronicle

Los Angeles Times

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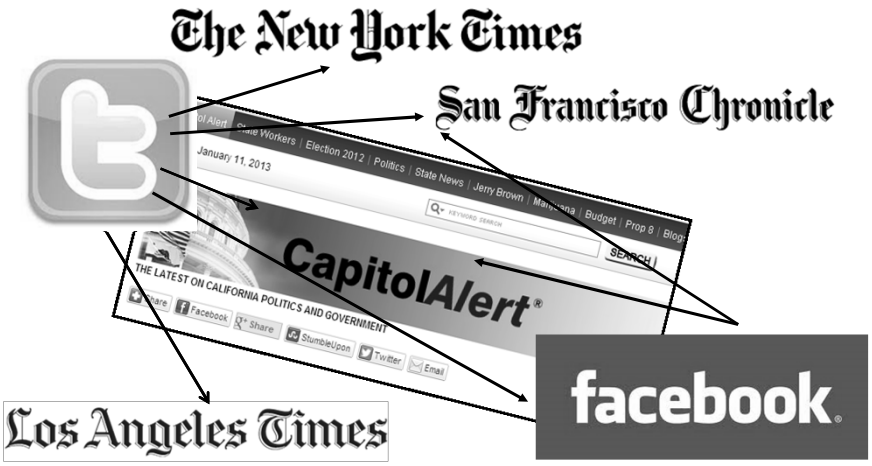

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