User's Guide to 2024 National Party Conventions

Get the most from your party conventions experience

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State and Federal Communications

State and Federal Communications, Inc. has one mission – to ensure you and your organization can comply fully with the ever-changing government compliance laws and regulations regarding lobbying, campaign finance, and procurement lobbying.

- Online Compliance Guidebooks
- Consulting Services designed specifically for your organization



Convention Schedules

Republican National Convention

- Milwaukee, Wisconsin (Fiserv Forum)
- July 15 18

Democratic National Convention

- Chicago, Illinois (United Center)
- August 19 22



Convention and Host Committees

Republican:

- Committee on Arrangements for the 2024 Republican National Convention
- Milwaukee 2024 Host Committee (170 Freedom Milwaukee 2024)

Democratic:

- The 2024 Democratic National Convention Committee
- Chicago 2024 Host Committee (Development Now for Chicago)



Contributions to Convention Committees

A convention committee is an account of the national party organization and federal campaign finance laws apply:

- \$123,900 per year from individuals.
- \$45,000 per year from multicandidate PACs.
- Direct and in-kind contributions from corporate funds are prohibited.

Limited exceptions to these general limits and prohibitions exist.



Exceptions: Convention Committees

These exceptions are <u>not considered contributions or</u> <u>expenditures</u>.

Commercial vendors may provide certain discounts that would be available in the ordinary course of business.

- Standard volume discounts
- Preferred customer programs

Commercial vendors can also provide de minimis items in exchange for no or nominal value.

• Pens, maps, tote bags, etc.



Exceptions: Convention Committees cont.

Commercial vendors may make promotional arrangements with the convention committee.

Value cannot exceed the commercial benefit expected to be derived from the opportunity.

Convention committee must include promotional arrangements with commercial vendors as memo entries in its FEC reports.



Contributions to Host Committees

A host committee is a non-profit local organization whose principal purpose is to encourage commerce in the convention city and to project a favorable image of the convention city to delegates.

Some permitted purposes of contributions:

- Welcome convention attendees
- Facilitate commerce
- Defray committee's administrative expenses
- Defray cost of local transportation services
- Defray cost of law enforcement services
- Defray cost of using central housing and reservation services
- Other similar convention-related facilities and services



Contributions to Delegates

The federal contribution rules apply to any individual who is seeking selection or who has already been selected as a delegate.

Individual delegates are prohibited from accepting contributions from:

- Corporations, including banks and nonprofits.
- Labor organizations.
- Foreign nationals or businesses.
- Federal government contractors.

Permissible contributions to individual delegates are not subject to any per delegate limit.



Private Events

Private events outside of normal or scheduled convention activities are permissible, but create compliance concerns:

- Who's invited?
- Who's paying?
- What's the purpose of the event?

Compliance concerns won't be checked at the door, so carefully vetting the event is extremely important.



Overview: Gifts

Anything of value, other than a contribution (not for the purpose of an election), is governed by federal, state, and local gift laws when the recipient is also a covered official.

Individual jurisdictions may provide guidance to officials governing their participation in convention activities:

- Senate
- House of Representatives
- New York
- Minnesota



Gifts: Federal

The permissibility of a gift to a federal official varies depending on the body of government and/or the appointment date. Both the House of Representatives and the Senate have their own gift rules. With respect to executive branch officials, the gift rules are dependent upon the date the individual was appointed.



Gifts: U.S. House and Senate

Convention-specific restriction: Events honoring a federal legislative official cannot be attended by that official if the event is paid for directly by a federal lobbyist or lobbyist employer.

Federal officeholders who are delegates may accept widelyavailable benefits.

Usual gift rules also apply: Members and employees of the House and Senate may not knowingly accept a gift from a registered lobbyist or agents of a foreign principal.

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Exceptions exist.

Gifts: U.S. House and Senate – Non-Lobbyist Rule

A non-lobbyist individual may provide gifts with a value of less than \$50 and a cumulative value during a calendar year of less than \$100.

A gift having a value of less than \$10 does not count toward the \$100 limit.



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Gifts: U.S. House and Senate -Exceptions

- Reception that includes food or refreshments of nominal value (not part of a meal)
- Charity events when invited by the sponsor.
- Widely attended events.
- Items of nominal value.



Gifts: Executive Employees

An executive agency employee may not, directly or indirectly, solicit or accept a gift:

- From a prohibited source (does business or has interest); or
- Given because of the employee's official position.

Exceptions:

- Gifts with an aggregate market value of \$20 or less per source per occasion (\$50 per year).
- Modest items of food and non-alcoholic refreshments.
- Meals, lodgings, transportation, including free attendance at events, in connection with political management or campaigns.



Gifts: Executive Appointees

Executive Order: Individuals appointed on or after January 20, 2021.

Every covered appointee is prohibited from accepting gifts from registered lobbyists or lobbying organizations for the duration of their service as an appointee.

Exceptions:

- Modest items of food and refreshments, not as part of a meal;
- Greeting cards and items with little intrinsic value for presentation;
- Opportunities and benefits, including favorable rates and commercial discounts, available to the public or to a class consisting of all government employees.

Gifts: State Officials - Wisconsin

State public officials attending the convention are governed by their state's gift rules.

<u>Wisconsin</u>

No lobbyist may provide food or beverages to any agency or legislative official or employee.

Exception if the food and beverages are also available to the general public.

Non-lobbyists may not give food or beverage if it could influence the official's actions, or if it could be considered a reward for official action or inaction.



Gifts: State Officials - Illinois

<u>Illinois</u>

No officer, member, or state employee may accept any gift from any lobbyist, employer of a lobbyist or other prohibited source.

As an exception, legislative officers and members may accept \$75 of food or refreshments in a single calendar day, provided certain conditions are met.

Non-lobbyists who are not prohibited sources may provide food and beverages without monetary limit.

Gifts: State Officials Convention-Specific

Different states have different rules, and some states have delegate or convention-specific rules.

The following states have convention-specific rules:

- Minnesota
- Ohio
- Tennessee



Gifts: State Officials – Restrictive

Examples of States with Strict Limitations:

- California
- Missouri
- Nevada



Gifts: State Officials – Permissive

Examples of State with Virtually No Limitations:

- Idaho
- Mississippi
- Pennsylvania (Legislative)

In general, specific dollar limits are common and vary widely across jurisdictions.



Gifts: Local Officials

Counties, cities, and other local entities may also have their own gift laws or be subject to a state's gift laws.

Public officials are not necessarily the only individuals subject to gift laws. Even if you're not inviting an elected official, you could still be inviting someone subject to a gift law.



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Gifts: Local Officials Milwaukee and Chicago

Milwaukee, Wisconsin:

- No gifts reasonably expected to influence or reward.
- Gifts over \$50 reported by official.

Chicago, Illinois:

- No gifts over \$50 per year unless exception applies.
- Gifts over \$250 reported by official.



Gifts: State and Local Compliance

• <u>Is it permissible</u>?

- Giving to a covered official (does recipient wear multiple hats)?
- Giving from a prohibited source (lobbyist, employer, contractor, interested party)?
- What is the value of the gift?
- Applicable exception?
- <u>Is it reportable</u>?
 - By the donor?
 - By the official?



Third-Party Watchdogs

Some third-party groups are committed to observing activities at conventions and identifying violations of law.

For example, the group Public Citizen committed to monitoring convention events in 2008, 2012, and 2016.

Given the return to an in-person format and recent highprofile ethics cases across the country, it is reasonable to assume that it and other groups may take a pointed interest in convention activities.



Enforcement: Reporting Violations Connecticut

- Six lobbyist employers were subject to enforcement action for reporting violations following the 2012 Democratic National Convention.
 - Total penalties: \$25,230
- Three lobbyist employers were subject to enforcement action following the 2000 national party conventions for reporting violations.
 - Total penalties: \$9,000



Enforcement: Gift Law Violations

Two lobbyist employers were subject to enforcement action following the 2000 Democratic and Republican National Conventions for violations of the state's gift law

• Total penalties: \$70,000



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Key Takeaways

Conventions are multi-layered events and ensuring compliance requires a comprehensive approach.

Gift laws follow officials from their home states to the convention.

It's a massive national public stage—that has advantages and disadvantages.





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