



September 2024

TO: Each Trustee,
Board of Retirement and Board of Investments

FROM: Legal Office

SUBJECT: PERMISSIBLE POLITICAL ACTIVITIES OF LACERA OFFICERS AND EMPLOYEES

As we enter election season, please take a moment to review what political activities are and are not legally permissible. Trustees should also be mindful that other policy limitations may apply to their conduct (e.g., Code of Ethical Conduct, Media Policy, corporate governance and stewardship principles, and other policies that address who communicates on behalf of LACERA). Please do not hesitate to reach out to the Jessica Rivas, Staff Counsel (jrivas@lacera.com) if you have any questions.

Permitted Activities

LACERA officers and employees may, *on their own time*:

- Vote;
- Express personal opinions on all political subjects, candidates, and measures;
- Participate in political activities such as rallies, caucuses, fund raisers, receptions, and dinners;
- Contribute funds to political campaigns;
- Distribute campaign literature, materials, badges, etc.;
- Wear badges or buttons, display bumper stickers on their cars, and display pictures or posters in their home or property;
- Speak publicly, or write letters or articles for or against a candidate or ballot measure; and
- Endorse or oppose a candidate or measure in political advertisements, broadcasts, campaign literature or similar material. If using official LACERA title, then indicate, "For identification purposes only."
- Solicit or receive political contributions to promote the passage or defeat of a ballot measure which would affect the pay, hours of work, retirement, civil service, or other working conditions of LACERA officers or employees. (Gov. Code § 3209).

When expressing personal opinions, speaking publicly, writing letters or articles regarding a candidate or measure, or endorsing or opposing a candidate or measure, the LACERA officer or employee must not state or imply that those views represent the views of LACERA.

Prohibited Activities

LACERA officers and employees *may not*:

- Use their official authority to impact the vote, political contributions, or campaign activities of other LACERA employees in exchange for influencing the employee's

ability to obtain any position, nomination, promotion, or change in compensation or position within LACERA (Gov. Code § 3204; LACERA Code of Ethical Conduct);

- Promise to provide any person with a gift, money, promotion, job, or other form of compensation in return for a political contribution or vote (Gov. Code §§ 3204, 3205.5, Elec. Code § 18520; LACERA Code of Ethical Conduct);
- Engage in any political activities during standard and overtime work hours, unless on approved leave (Gov. Code § 3207; LACERA Code of Ethical Conduct), including distributing materials and information, attending campaign meetings, making campaign telephone calls, soliciting contributions, or performing any other campaign-related tasks;
- Engage in any political activities at LACERA's offices (300 N. Lake Ave. Pasadena, CA 91104) even when off-duty (Gov. Code § 3207; LACERA Code of Ethical Conduct);
- Place any political poster, sticker, sign or similar material on LACERA property (Gov. Code § 3207; LACERA Code of Ethical Conduct).
- Use public funds or resources for campaign activity that is not authorized by law, or to promote one side or other in an election campaign or ballot measure (Gov. Code §§ 8314, 54964; *Stanson v. Mott* (1976) 17 Cal.3d 206);
 - "Public Resources" includes, but is not limited to, land, buildings, facilities, funds, equipment, supplies, telephones, computers, vehicles, travel, and staff time.
 - Note: LACERA resources may be used to provide information regarding a ballot measure so long as the informational activity is authorized by the Constitution or laws of the State and the information is an accurate, fair, and impartial presentation of the relevant facts to aid the voters in reaching an informed decision regarding the ballot measure. LACERA resources may not be used to "take sides", advocate, or engage in campaigning. Given the difficulty in some situations to distinguish between proper informational activity and improper campaign activity, it is advisable to consult with the Legal Office in these situations.
- Include political statements in pay envelopes, including the written or printed name of any candidate; political mottos, slogans, stamps or stickers; political messages inside or on the envelope; and statements to influence the political opinions or actions of employees (Elec. Code § 18542);
- Hire a consultant to implement a strategy to support or oppose a political campaign on behalf of LACERA (88 Ops.Cal.Atty.Gen 46).
 - Note: Hiring a consultant to assist LACERA in scheduling meetings with civic leaders and possible contributors to develop a campaign to promote approval of a ballot measure is prohibited. However, hiring a consultant to reach an informed decision regarding a measure and its terms, such as conducting surveys and focus groups to assess the potential positions on a measure, gauging the public's awareness on the subject of a measure, or determining the feasibility of developing a winning measure, are permissible.

Potential Consequences

- **Civil Penalties:** Courts may impose significant civil penalties, including up to \$1,000 for each day on which the violation occurs, plus three times the value of the unlawful use of public resources. Violators may be subject to personal liability. (Gov. Code § 8314(c)).
- **Criminal Penalties:** Depending on the circumstances, a violation can be a misdemeanor or felony, with the possibility of imprisonment, significant monetary fines, or both. A conviction can also lead to disqualification from holding public office. (Pen. Code § 424).
- **Administrative Penalties:** Significant monetary sanctions may be enforced by the Fair Political Practices Commission. (Gov. Code § 83116).