

California Democratic Party

Organizational Development Committee

Preliminary Report on Revision of the Chartering Guidelines

DRAFT rev 4-16-21

Background

In November, 2002 the Bipartisan Campaign Reform Act of 2002 took effect. It substantially changed the operation of political party committees nationally, including the California Democratic Party (CDP).

The increased scrutiny of party committees under this law prompted a review by the CDP of its structures, especially the ways in which units of the party raised and spent money.

One outcome of that review was a radical substantial rethinking of the existing Assembly District Committees. Those were units created by the CDP which had been granted significant fiscal autonomy, a situation that opened the CDP up to potential liability for campaign finance reporting violations.

Ultimately Assembly District Committees were replaced in their function as a source of members of the Democratic State Central Committee by Assembly District Election Meetings and new, independent, structures were envisioned to carry out all the other functions of the old Assembly District Committees.

These new structures were incorporated into a group of new, affiliated units called "chartered organizations." Guidelines for their chartering were adopted by the Rules Committee in 2006. Those original Guidelines have not been updated since 2006 and are still in effect.

The Organizational Development Committee is charged with recommending to the Rules Committee any changes or revisions to the Guidelines. This report is a first step in formulating such proposals.

Issues

Our Committee's work over the years in reviewing and granting charters has surfaced a number of issues where revision of the Guidelines may be in order. Additionally, the parallel work of the Rules Committee as it updates its requirements and procedures for certifying/re-certifying caucuses raises other new issues to consider in revising the Guidelines.

We list here a number of the issues that have come to our attention so far and include suggested actions:

A. Conflict with current Bylaws – the CDP bylaws on Chartering have been amended since the adoption of the Guidelines (in particular, Art.X, Sec. 2 (c)) – revise the Guidelines to conform.

B. Inconsistency between conditions for revoking and granting charters – (1) a charter may be revoked if an organization has fewer than 30 members but there is no requirement that they have 30 members initially to be chartered; (2) a charter may be revoked if an organization endorses against CDP endorsements but, while there are requirements for a number of items to be included in a chartered organization’s bylaws, they are not required to include this ban among them – amend the bylaws and/or revise the Guidelines to include the relevant conditions for granting charters.

C. Preference for chartering district level organizations at the Assembly District level – our most active district level group currently is organized for a Congressional District, not an Assembly District (the Assembly District provision appears to be a holdover from the previously existing Assembly District Committees and does not reflect current electoral priorities) – amend the bylaws and/or revise the Guidelines to remove the preference for organizing at the Assembly District level.

D. Term of charters – charters other than district level are currently granted for a period of up to four years (Bylaws, Art. X Sec. 2 (c)); in the case of Democratic Clubs (which may be chartered by the CDP under certain circumstances) this is at variance with the typical term of charters by County Committees – amend the bylaws and/or revise the Guidelines to limit the term of these charters to term the County of jurisdiction would grant.

E. Clubs comprising Councils of Clubs – currently clubs affiliated with Councils must be chartered by County Committee; clubs chartered by the CDP due to failure of a County Committee to grant a charter are excluded – amend the bylaws and/or revise the Guidelines to include those CDP chartered clubs.

F. Expiration of district level charters – this provision is in the section of the bylaws on “revocation”; this placement appears to be a holdover from before amendments ending the granting of charters in perpetuity were adopted and now simply makes for less clarity – amend the bylaws and/or revise the Guidelines to move to the section on “granting”.

G. Disbanding of chartered organizations – currently there is no provision for chartered organizations to voluntarily disband; in order for them to cease to exist, their charters must be revoked for cause – amend the bylaws and/or revise the Guidelines to allow for organizations to disband.

H. Process/timeline for granting charters – currently organizations seeking to be chartered must take certain steps (applying for FEC/FPPC numbers, for example) that require them to use some form of the word “Democratic” in their names without having yet been chartered; additionally, some groups may only need to take technical actions to complete their chartering, actions which would not reasonably be impediments to their ability to operate – amend the bylaws and/or revise the Guidelines to break the chartering process into a series of steps, such as: 1) information (perhaps at a pre-application stage); 2) application under review (which might include some form of conditional chartering); and 3) full granting.

I. Organization of the Guidelines – currently the Guidelines contain a mixture of stipulations, requirements for bylaw language, and mandates to produce documents on the part of the applying organization as well as findings to be made by the Organizational Development Committee; these items occur at various places in the Guidelines and are not necessarily each called out as requirements for chartering – amend the Guidelines to bring similar items together, listing them as needed items to complete the applicant’s chartering (see attached Checklist for examples).

Next Steps

After review and adoption of this report by the Organizational Development Committee, we look forward to working with the appropriate sub-committee of the Rules Committee to develop specific Bylaw and Guideline language to implement these recommendations.