SENSITIVE



FEDERAL ELECTION COMMISSION Washington, DC

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AGENDA ITEM
For meeting of February 11, 2025
SUBMITTED LATE

MEMORANDUM

TO: The Commission

FROM: Neven F. Stipanovic

Associate General Counsel for Policy

SUBJECT: Policy Division Quarterly Report for FY 2025 Q1

(10/01/2024 - 12/31/2024)

This report provides the Commission with the status of projects in the Policy Division of the Office of the General Counsel during the first quarter of FY 2025 (10/01/2024 — 12/31/2024). The report assesses the Division's work on advisory opinion requests ("AORs"), rulemaking projects, compliance advice projects, and other Division matters during the first quarter. The tables set out in Appendices A, B, and C provide specific data regarding AORs, rulemakings, and compliance advice projects, respectively, for the first quarter of FY 2025. The chart in Appendix D contains information on consultations and reviews conducted by the Division during the first quarter of FY 2025.

The Commission issued two advisory opinions during the first quarter. The Commission also had 9 active pre-AORs pending during the first quarter. Please see Appendix A.

The Commission issued one final rule (Form 3Z), one notice of proposed rulemaking (request to modify or redact contributor information), and one notice of availability (contributions from traceable electronic payment methods). The Commission also voted to approve one final rule (civil monetary penalties inflation adjustment) that was published in January 2025. Overall, the Commission had 21 open rulemaking matters in Quarter 1 of FY 2025. Of those, 7 were pending rulemakings initiated by the Commission and 14 were rulemaking matters initiated by one or more petitions for rulemaking. Please see Appendix B.

The Division completed a total of 11 formal compliance advice assignments during the first quarter of FY 2025, completing them within an average of 18 days. Please see Appendix C.

The Division routinely and actively engaged in work on other types of matters.

Please see Appendix D.

ADVISORY OPINIONS

The Policy Division evaluates its processing of advisory opinion requests ("AORs") based on the following performance measures:

Internal Performance Measures

- Screen all advisory opinion requests for completeness within 10 days of receipt and obtain additional information as warranted
- Distribute internal and public drafts in a timely manner so that the Commission may issue advisory opinions within the 60-day or 20-day statutory timeframes, or within such other timeframes as may be requested by the Commission

Performance and Accountability Report and Budget Performance Measures

- Issue advisory opinions within 60-day and 20-day statutory deadlines 100% of the time
- Issue expedited advisory opinions for time-sensitive highly significant requests within 30 days of receiving a complete request, or a shorter time when warranted, 100% of the time

Advisory Opinion Work in Quarter 1

The tables that follow provide quantitative data regarding the disposition of advisory opinion requests during the most recent fiscal quarter. Table 1 provides the number and disposition of active AORs. Table 2 shows the average number of days that it took from the receipt of complete AORs to a Commission vote. Table 3 provides data on screening pre-AORs.

<u>Table 1 — Active Advisory Opinion Requests</u>

	FY19	FY20	FY21	FY22	FY23	FY24	FY25 Q1
Active AORs	21	9	13	26	12	21	31
AOs Issued	14	3	9	23	10	15	2 ²
AORs Resulting in Split Decisions ³	2	0	2	1	1	3	14
AORs Withdrawn By Requestor	2	1	1	0	0	1	0
AORs Pending at End of FY/Q	3	2	1	3	1	3	0
Completed Within Deadline	100%	100%	100%	100%	100%	100%	100%

AORs 2024-13 (DSCC, Montanans for Tester, and Gallego for Arizona), 2024-14 (DSCC and Rosen for Nevada) and 2024-15 (Unified Libertarians of Massachusetts).

² AORs 2024-14 (DSCC and Rosen for Nevada) and 2024-15 (Unified Libertarians of Massachusetts).

As used in this report, the term "split decision" means that a closeout letter was issued instead of an AO because no AO draft was approved by a vote of four or more Commissioners.

⁴ AOR 2024-13 (DSCC, Montanans for Tester, and Gallego for Arizona).

<u>Table 2 — Average Number of Days from Receipt of Complete AOR to Commission Vote</u>

	FY19	FY20	FY21	FY22	FY23	FY24	FY25 Q1
60-Day AORs ⁵	44	n/a	49	43	45	52	57 ⁶
60-Day AORs (Deadline Extended)	127	270	164	88	81	65	n/a
20-Day AORs ⁷	20	n/a	n/a	16	n/a	n/a	n/a
20-Day AORs (Deadline Extended)	n/a	n/a	n/a	22	27	22	228
Expedited AORs	n/a						

This data does not include 60-day AORs that received deadline extensions. Any such AORs are noted separately.

⁶ AOR 2024-15 (Unified Libertarians of Massachusetts) 57 days from receipt of a complete AOR to Commission vote.

This data does not include 20-day AORs that received deadline extensions. Any such AORs will be noted separately.

⁸ AOR 2024-14 (DSCC and Rosen for Nevada) 22 days from receipt of a complete AOR to Commission vote.

<u>Table 3 — Pre-AORs</u>

	FY19	FY20	FY21	FY22	FY23	FY24	FY25 Q1
# of Pending Pre-AORs	32	19	28	48	45	55	99
Percentage Screened within 10-Day Deadline	100%	100%	100%	100%	100%	98%	100%
# Made into Complete AORs	16	6	11	32	11	19	110



AOR 2024-15 (Unified Libertarians of Massachusetts).

^{4 |} Appendix A

RULEMAKINGS

The Policy Division evaluates its work on rulemaking projects based on the following performance measures:

Internal Performance Measures

- Draft and circulate NPRMs, Final Rules and Explanations & Justifications (E&Js), and other rulemaking documents within the timeframes determined by the Commission
- Coordinate with the Federal Register, the Internal Revenue Service, Small Business Administration, and the Office of Management and Budget (OIRA) to ensure timely compliance with all applicable statutory, regulatory, and other requirements

Performance and Accountability Report and Budget Performance Measure

• Complete rulemakings within specific time frames that reflect the importance of the topics addressed, proximity to upcoming elections, and externally established deadlines 100% of the time. External deadlines include those imposed by statute, court opinion, or the Commission.

Rulemaking Projects in Quarter 1

The Commission had 21 open rulemaking matters in Quarter 1 of FY 2025. Of those, 7 were pending rulemakings initiated by the Commission and 14 were rulemaking matters initiated by one or more petitions for rulemaking. *See* Tables 1 and 2, below.

<u>Table 1 — Status of Rulemaking Matters – Commission-Initiated</u>

Rulemaking Name (REG #) [Status]	Start Date	ANPRM	NPRM	Public Hearing	Final Rules & E&J/ Documents Circulated to Commission
1. Administrative Fines Expansion (REG 2013-06)			Draft circulated (07/18/24) Approved (07/25/24) Published (08/01/24) Comment Period Ended (09/03/24)		
2.					

Rulemaking Name (REG #) [Status]	Start Date	ANPRM	NPRM	Public Hearing	Final Rules & E&J/ Documents Circulated to Commission
4. Form 3Z (REG 2024-04) [Completed]			Draft circulated (07/18/24) Approved (07/25/24) Published (08/01/24)		Draft circulated (11/07/24) Approved (11/13/2024) Published (11/26/2024)
5. Request to Modify or Redact Contributor Information (REG 2024-06)			Draft circulated (10/03/24) (12/05/24) NPRM Approved (12/12/24) NPRM Published (12/19/24)		

Rulemaking Name (REG #)	Start Date	ANPRM	NPRM	Public Hearing	Final Rules & E&J/ Documents Circulated to Commission
6. Input Costs for Internet Communications (REG 2024-09)	10/09/24		1	1	
7. Civil Monetary Penalties Annual Inflation Adjustments 2025 (REG 2024-10)					Draft rules circulated (12/19/24) Vote to approve (12/23/24)