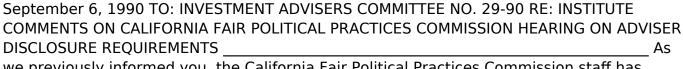


MEMO# 2169

September 6, 1990

INSTITUTE COMMENTS ON CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION HEARING ON ADVISER DISCLOSURE REQUIREMENTS



we previously informed you, the California Fair Political Practices Commission staff has determined that employees of investment advisory firms which contract with California Public funds must make financial disclosures on Form 730 under the Fair Political Practices Act. (See Memorandum to Investment Advisers Committee No. 27-90, dated August 23, 1990.) The Commission held a hearing to determine whether to propose regulations on this issue and, if so, to determine the scope of the regulations. The Institute again objected to the Commission staff position regarding disclosure by investment adviser employees and recommended that employees of registered investment advisers be exempted from the disclosure requirements of the Political Reform Act. A copy of the Institute's recommendations and comments are attached, together with a copy of the Commission staff's proposal. We will keep you informed of further developments. W. Richard Mason Assistant General Counsel Attachments

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