

GOVERNMENT RELATIONS

# LPL PAC 2020 ANNUAL REPORT





# A NOTE FROM PEGGY HO

This past year brought a number of unforeseen challenges, dominated by the global coronavirus pandemic. The LPL Government Relations team quickly adapted to new circumstances, taking on new policy priorities and learning how to advocate remotely. Despite these challenges, the LPL Political Action Committee (LPL PAC) has continued to grow, with steady membership and growing contributions.

Our sustained growth shows the value of speaking with one unified voice to make an impact on policy issues that matter most to our industry. We're able to leverage our size, scale, and the unique experience each financial professional has as a small-business owner.

We succeeded in a number of grassroots campaigns in 2020 that highlighted the strength of LPL's financial professionals and home-office employees, and our ability to influence change.

- Our home-office employees engaged with the South Carolina Department of Transportation to secure more than \$50 million in funding for traffic improvements near the LPL Carolinas campus.
- We supported our financial professionals through state stay-at-home orders, the CARES Act, and other federal stimulus bills.
- We continued meeting with federal legislators and state regulators, and produced four white papers and 26 comment letters.

This year, the nation's capital is welcoming a new administration and a new Congress, with whom we'll work collaboratively to ensure that LPL is well represented when major policy is being enacted.

As a bipartisan political action committee, we'll work with both sides of the aisle in Washington, D.C., and in all 50 states. Our federal giving remains targeted to lawmakers who support our interests and our industry in both political parties. In 2021, our advocacy agenda builds on the work we started in 2020 by focusing on:

- Senior Investor Protection
- Retirement Security
- Tax Policy
- Independent Contractor Status
- Data Security and Privacy
- Harmonized Best Interest Standard
- Diversity, Equity, and Inclusion

We remain committed to you and the issues that matter most to your business, our industry, and American investors, and look forward to continuing the fight to preserve and enhance your ability to deliver objective financial advice. Thank you for your continued support of the LPL PAC, and I look forward to all that we can accomplish in 2021.


Sincerely,



Peggy L. Ho  
Executive Vice President, Government Relations  
Chair, LPL PAC

# THE LPL PAC MISSION

is to build strong relationships with regulators and legislators so that we're in the best position to serve as trusted resources when Congress or regulatory agencies consider policies affecting the delivery of objective financial advice and services.



# WHAT IS A PAC?

**PAC STANDS FOR POLITICAL ACTION COMMITTEE. A PAC IS A GOVERNMENT-REGULATED ORGANIZATION THAT ANYONE CAN FORM TO RAISE MONEY FOR POLITICAL CAMPAIGN DONATIONS. PACS ARE FORMED BY INDIVIDUALS, NONPROFITS, AND MOST MAJOR CORPORATIONS.**

## **Why is the LPL PAC important to LPL Financial?**

The LPL PAC is an important tool for supporting the business goals and objectives of LPL Financial. Federal regulations strictly prohibit companies like LPL Financial from making campaign contributions directly to federal candidates. However, through a PAC, companies may donate to legislators running for office.

These contributions help LPL Financial foster relationships with those in Washington who can help shape our industry. LPL Financial is permitted to fund the administrative costs associated with operating the LPL PAC, ensuring that every dollar contributed to the LPL PAC goes directly to candidates running for office.

## **Why is the LPL PAC important to you?**

The LPL PAC is supported by LPL Financial employees and advisors who make voluntary personal contributions for the purpose of supporting candidates for federal office.

Through the PAC, we can speak with one voice, so elected officials clearly hear our position on policies that affect independent financial advisors.

A strong LPL PAC allows us to help tell the LPL Financial story and shape the future of our industry, instead of having others do it for us.



### **FUN FACT**

LPL PAC was established in June 2010 and has steadily grown year over year.

## **6% INCREASE**

In 2020, the LPL PAC received \$450,177 in contributions, a 6% increase over 2019.

# HOW DOES THE LPL PAC SELECT CANDIDATES TO RECEIVE CONTRIBUTIONS?

Using information provided by senior management, coalitions, industry groups, and PAC members, candidates are assessed using the following criteria:

- Candidate's electability
- Candidate's position on key committees and working groups where legislation of importance to LPL Financial is considered
- Candidate's demonstrated leadership, or potential for leadership, within Congress on pertinent issues
- Background and experience
- Candidate's position or voting record on issues of direct concern to LPL Financial, our employees, and financial advisors
- Geographic location of the area the candidate or elected official represents as it relates to where LPL Financial has or may have operations
- Knowledge or background from the financial services industry

## IN SUMMARY, WE LOOK AT:

**Electability**

**Position on key committees**

**Demonstrated leadership**

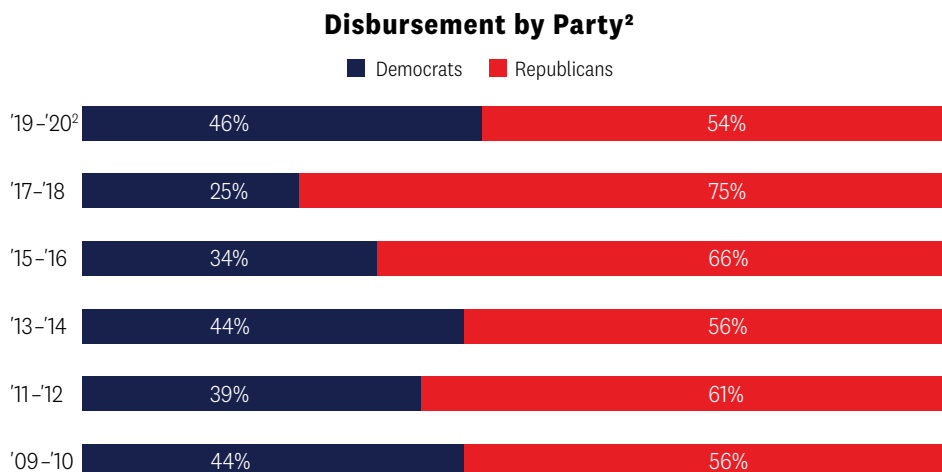
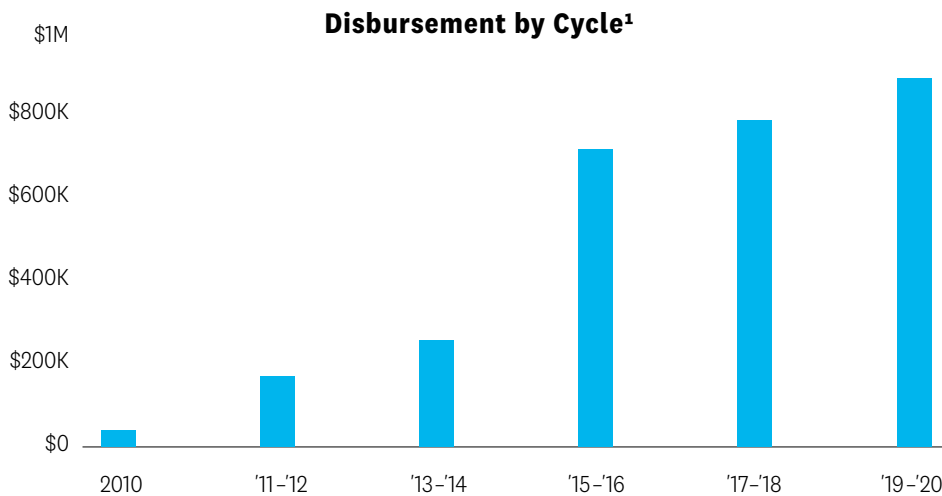
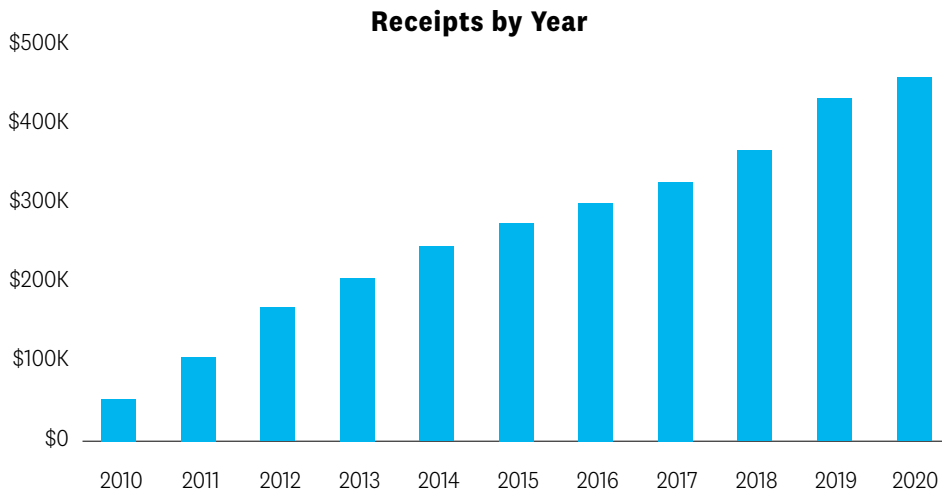
**Background & experience**

**Voting record in concert with LPL**

**Proximity to LPL home offices**

**Financial service industry knowledge**





**AS THE LPL PAC GROWS,**  
we increase the ability for us to amplify our collective voice in Washington, D.C.

During the 2019-2020 election cycle, the LPL PAC disbursed a total of \$844,200 to congressional campaigns, industry trade association political action committees, and congressional leadership political action committees.

In 2020, our team had 297 direct engagements with approximately 260 Members of Congress and their staff.

<sup>1</sup> Includes all disbursements made during election cycle

<sup>2</sup> Does not include trade association PACs



# THE LPL PAC DISBURSEMENT RECIPIENTS OF 2020

From January 1, 2020, through December 31, 2020, the LPL PAC disbursed \$407,000 to congressional campaigns and committees.

Of that total, \$343,500 was disbursed to members of the U.S. House of Representatives, \$35,000 to members of the U.S. Senate, and \$25,000 to Caucus PACs. Also, in the final year of the 2019-2020 election cycle, the LPL PAC disbursed \$20,000 to industry trade association PACs as described below.

## **U.S. House of Representatives Committees Supported by the LPL PAC**

**House Financial Services Committee:** This committee has jurisdiction over the U.S. Securities and Exchange Commission (SEC), self-regulatory organizations such as FINRA, and our nation's banking and financial systems.

**House Ways and Means Committee:** This is the chief tax-writing committee of the House and has jurisdiction over all taxation, tariffs, and other revenue-raising measures, as well as retirement issues.

**House Education and Labor Committee:** This committee has jurisdiction over the Department of Labor and pension/retirement issues.

## **U.S. Senate Committees Supported by the LPL PAC**

**Senate Committee on Health, Education, Labor and Pensions:** This committee has jurisdiction over the Department of Labor and pension/retirement issues.

**Senate Committee on Finance:** This committee has jurisdiction over taxation and revenue measures, as well as retirement issues.

**Senate Committee on Banking:** This committee has jurisdiction over banking, insurance, financial markets, and securities issues.

On the following pages, we've compiled a list of all disbursements made to congressional campaigns and committees.



## 2020 House of Representative Disbursements

Name	Party-State	Amount	Name	Party-State	Amount
Congressman Jodey Arrington	R-TX	\$7,000	Congressman Donald McEachin	D-VA	\$1,000
Congressman Andy Barr	R-KY	\$3,500	Congressman Patrick McHenry	R-NC	\$10,000
Congresswoman Joyce Beatty	D-OH	\$5,000	Congresswoman Cathy McMorris-Rodgers	R-WA	\$2,500
Congresswoman Lisa Blunt Rochester	D-DE	\$5,500	Congressman Greg Meeks	D-NY	\$2,500
Congressman Brendan Boyle	D-PA	\$7,000	Congressman Alex Mooney	R-WV	\$2,000
Congressman Kevin Brady	R-TX	\$6,000	Congresswoman Gwen Moore	D-WI	\$3,500
Congresswoman Cheri Bustos	D-IL	\$6,000	Congressman Joe Morelle	D-NY	\$1,000
Congresswoman Liz Cheney	R-WY	\$3,500	Congresswoman Stephanie Murphy	D-FL	\$2,000
Congresswoman Judy Chu	D-CA	\$1,000	Congressman Richie Neal	D-MA	\$2,500
Congresswoman Yvette Clarke	D-NY	\$7,500	Congressman Ralph Norman	R-SC	\$5,000
Congressman Emanuel Cleaver	D-MO	\$4,000	Congresswoman Stacey Plaskett	D-VI	\$2,000
Congresswoman Sharice Davids	D-KS	\$6,000	Congressman Guy Reschenthaler	R-PA	\$4,500
Congressman Warren Davidson	R-OH	\$5,000	Congressman Denver Riggleman	R-VA	\$2,500
Congressman Rodney Davis	R-IL	\$8,000	Congressman Steve Scalise	R-LA	\$2,500
Congresswoman Suzan DelBene	D-WA	\$5,000	Congressman Brad Schneider	D-IL	\$4,500
Congressman Tom Emmer	R-MN	\$7,000	Congressman Kurt Schrader	D-OR	\$1,000
Congressman Ron Estes	R-KS	\$2,500	Congressman David Scott	D-GA	\$2,000
Congressman Drew Ferguson	R-GA	\$2,500	Congresswoman Terri Sewell	D-AL	\$2,000
Congressman Bill Foster	D-IL	\$2,500	Congressman Brad Sherman	D-CA	\$1,500
Congressman Marcia Fudge	D-OH	\$3,500	Congressman Adrian Smith	R-NE	\$2,000
Congressman Jimmy Gomez	D-CA	\$3,500	Congressman Jason Smith	R-MO	\$5,000
Congressman Anthony Gonzalez	R-OH	\$4,500	Congressman Darren Soto	D-FL	\$2,500
Congressman Vicente Gonzalez	D-TX	\$5,500	Congresswoman Elise Stefanik	R-NY	\$2,000
Congressman Josh Gottheimer	D-NJ	\$7,500	Congressman Bryan Steil	R-WI	\$6,000
Congressman Brett Guthrie	R-KY	\$5,000	Congresswoman Haley Stevens	D-MI	\$2,500
Congresswoman Jaime Herrera Beutler	R-WA	\$2,000	Congressman Steve Stivers	R-OH	\$4,000
Congressman Brian Higgins	D-NY	\$3,500	Congressman Tom Suozzi	D-NY	\$5,500
Congressman French Hill	R-AR	\$6,000	Congressman Bennie Thompson	D-MS	\$1,500
Congressman Trey Hollingsworth	R-IN	\$4,500	Congressman Mike Thompson	D-CA	\$6,500
Congressman Steve Horsford	D-NV	\$4,500	Congressman William Timmons	R-SC	\$4,000
Congresswoman Chrissy Houlahan	D-PA	\$3,000	Congressman Scott Tipton	R-CO	\$2,500
Congressman Steny Hoyer	D-MD	\$10,000	Congresswoman Norma Torres	D-CA	\$4,500
Congressman Bill Huizenga	R-MI	\$11,500	Congressman Juan Vargas	D-CA	\$5,000
Congressman Hakeem Jeffries	D-NY	\$4,000	Congressman Marc Veasey	D-TX	\$3,500
Congressman John Katko	R-NY	\$6,500	Congresswoman Ann Wagner	R-MO	\$2,500
Congressman Mike Kelly	R-PA	\$2,500	Congresswoman Jackie Walorski	R-IN	\$2,500
Congresswoman Robin Kelly	D-IL	\$2,500	Congressman Roger Williams	R-TX	\$3,000
Congressman Dan Kildee	D-MI	\$3,500	Congressman Steve Womack	R-AR	\$8,000
Congressman David Kustoff	R-TN	\$4,500	Congressman Lee M. Zeldin	R-NY	\$1,000
Congressman Darin LaHood	R-IL	\$7,000	Congresswoman Jackie Walorski	R-IN	\$2,500
Congressman Barry Loudermilk	R-GA	\$4,000	Congressman Roger Williams	R-TX	\$3,000
Congressman Blaine Luetkemeyer	R-MO	\$8,000	Congressman Steve Womack	R-AR	\$8,000
Congressman Stephen Lynch	D-MA	\$3,500	Congressman Lee M. Zeldin	R-NY	\$1,000

## 2020 Senate Disbursements

Name	Party-State	Amount
Senator Bob Menendez	D-NJ	\$2,500
Senator David Perdue	R-GA	\$10,000
Senator Jon Tester	D-MT	\$1,000
Senator Kevin Cramer	R-ND	\$1,500
Senator Mike Rounds	R-SD	\$1,000
Senator Mitch McConnell	R-KY	\$2,500
Senator Rob Portman	R-OH	\$5,000
Senator Steve Daines	R-MT	\$4,000
Senator Thom Tillis	R-NC	\$5,000
Senator Tim Scott	R-SC	\$2,500

## 2020 Caucus PACs and Trade Association PACs

Name	Amount
ASPIRE PAC	\$5,000
BLUE DOG PAC	\$5,000
CHC BOLD PAC	\$5,000
CONGRESSIONAL BLACK CAUCUS PAC	\$5,000
NEW DEMOCRAT COALITION ACTION FUND	\$5,000
AMERICAN SECURITIES ASSOCIATION PAC (ASA PAC)	\$5,000
INSTITUTE FOR PORTFOLIO ALTERNATIVES PAC (IPA PAC)	\$5,000
INSURED RETIREMENT INSTITUTE PAC (IRI PAC)	\$5,000
SECURITIES INDUSTRY AND FINANCIAL MARKETS ASSOCIATION POLITICAL ACTION COMMITTEE (SIFMA PAC)	\$5,000

# WHO GOVERNS THE LPL PAC?

The LPL PAC is governed by a board of LPL employees. It's also advised by an advisor council composed of top LPL Financial professionals.

## 2020 LPL PAC Board of Directors

Name	Title
Peggy Ho	Chair, Executive Vice President, Government Relations
Kathy Bakke	Treasurer, Executive Vice President, Human Capital
Marc Ehlers <sup>3</sup>	Assistant Treasurer, Executive Vice President, Trading
Jeffrey Buchbinder	Vice President, Research
Gina Ciampolillo	Vice President, Business Consulting
Jason Crawford	Senior Vice President, Regional Consulting
Gina Gombar	Vice President, Legal
Steve LaChance	Senior Vice President, Regional Consulting
Peter Schaffer <sup>3</sup>	Senior Vice President, Compliance, Legal & Risk

## 2020 LPL Government Relations Advisor Council

Name	Location
Judy VanArsdale, Chair	Deer Park, IL
Ken Van Leeuwen, Chairman Emeritus	Princeton, NJ
Michael Brady	Broomall, PA
Steven Budin <sup>3</sup>	Las Vegas, NV
Jamie Cox	Richmond, VA
Ward Keever <sup>3</sup>	Wilmington, DE
Larry Leitch	Towson, MD
Lena Mandelis	Lexington, MA
Bruce Miller	Charlotte, NC
Jim Parks	Ridgewood, NJ
Dryden Pence	Newport Beach, CA
Mark Shepherd	Winchester, MA
Kevin Supka <sup>3</sup>	Jenkintown, PA
Tom Tye	Danville, KY
Lisa VanArsdale	Deer Park, IL
Joan Valenti	Farmington, CT
Cary Wong	Spokane Valley, WA

<sup>3</sup> Term ended in 2020



### A SPECIAL THANKS

LPL would like to say “Thank you” to all of those who served on our 2020 PAC Board of Directors and the Government Relations Advisor Council! We look forward to 2021.





**☰ FOR MORE INFORMATION**

Visit <https://lplgovernmentrelations.com> or contact us at [lplgovernmentrelations@lplfinancial.com](mailto:lplgovernmentrelations@lplfinancial.com)

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