



MEMORANDUM

To: Chair Remke and Commissioners Casher, Eskovitz, Wasserman, and Wynne

From: Zackery P. Morazzini, General Counsel
Sukhi K. Brar, Senior Commission Counsel

Re: Proposed Amendment of Regulation 18450.11

Date: January 5, 2015

I. Introduction

Currently, under Section 84511, a committee that makes an expenditure of \$5,000 or more to an individual for his or her appearance in an advertisement to support or oppose the qualification, passage, or defeat of a ballot measure must file a report (Form 511) within ten days, and must also include a statement in the advertisement that notifies viewers that the individual was paid to appear in the advertisement. Section 84511 was recently amended by Assembly Bill 510 (Ammiano) – Chapter 868, Statutes of 2014, effective January 1, 2015 to include additional disclosure related to certain ballot measure advertisements. The amendments to Regulation 18450.11 discussed in this memorandum are proposed in order to implement the new provisions now included in Section 84511 as a result of AB 510's passage.

II. Amended Law and Reason for Proposal

In addition to the requirements in Section 84511 already discussed above, AB 510 requires a committee to also file a Form 511 when that committee makes an expenditure of *any* amount to an individual for his or her appearance in an advertisement that supports or opposes the qualification, passage, or defeat of a ballot measure, and that states or suggests that the individual is a member of an occupation that requires licensure, certification, or other specialized documented training as a prerequisite to engage in that occupation. These committees must also now include a statement in the advertisement that the individual was paid to appear in the advertisement and may not necessarily be a member of the occupation portrayed in the advertisement. However, if the individual in the advertisement is a member of an occupation substantially similar to the occupation portrayed in the advertisement, the committee may omit this additional disclaimer if the committee maintains documentation on record of the individual's license, certification or training for the occupation and makes such documentation available to the Commission immediately upon request. The proposed regulatory amendments presented today make conforming amendments to existing Regulation 18450.11 that are needed as result of the new language in Section 84511. The proposed regulatory amendments also clarify that the

documentation required to be maintained and provided to the Commission immediately upon request must be provided to the Commission within 24 hours.

III. Conclusion and Recommendation

Staff recommends the Commission adopt these amendments to Regulation 18450.11.

Attachment: Proposed Regulation 18450.11