**To:** Chair Remke and Commissioners Audero, Casher, Wasserman, and Wynne

**From:** Erin V. Peth, Executive Director

**Subject:** Political Reform Act Revision Project

**Date:** February 8, 2016

California is a national leader in campaign finance, lobbying and governmental ethics. The cornerstone of California's campaign finance and ethics law is the Political Reform Act. First adopted by voters in 1974 as Proposition 9, the Act has been amended several times through voter initiative and dozens of times by the Legislature. The result is a body of law that can be hard to understand, overly complex and inconsistent.

The current condition of the Act causes several problems. Some politicians and special interest groups have used the complexity as an excuse to explain away violations. On the other side, many well-meaning citizens do not get involved in public service because they are daunted by the complicated rules. The situation fosters distrust in government among citizens groups and individuals who are suspicious of compliance by the officials and enforcement by the regulators.

At the direction of Chair Remke, the Commission staff has partnered with the California Constitution Center at the University of California Berkeley School of Law, University of California Davis School of Law and California Forward to conduct a comprehensive review and revision of the Act to ensure decades of amendments are given clarity and continuity.

Through this process we will streamline and simplify the Act in order to:

- Improve compliance and reduce technical violations;
- Encourage participation in the political process by reducing the burdens and costs of seeking office;
- Increase public understanding of the law to promote trust in the system; and
- Strengthen accountability and enforcement efforts.

This project furthers the Commission's mandate to provide strict enforcement while promoting accessibility to public service and transparency to the political system. Below are four key ways in which the Act can be improved:

- 1. Redraft the Act with "plain English" using the simplest, most straightforward language to express ideas and minimize legalese.
- 2. Incorporate key provisions from Regulations into the Act.
- 3. Reorganize the Act in order to have all related provisions in the same chapter with self-explanatory titles for each chapter and section.

4. Repeal or amend current statutes that are inaccurate or inoperative as a result of judicial decisions and other changes in law.

The law schools are currently working on an initial review and revision of the Act. Throughout the project, we will be engaging with interested stakeholders, public officials and members of the public to inform the revision process. The goal is to have a final proposal to present to the Legislature next year. Below is the projected timeline.

**Spring 2016** Project initiated with the California Constitution Center, Davis School of

Law and California Forward. Weekly check-in calls are scheduled with the law schools to discuss progress. Law schools conclude the initial review and revision. This draft will be submitted to Commission staff for review.

**Summer 2016** Draft of the revised Act will be shared with an advisory group consisting of

representatives from the regulated community, advocacy groups, the Legislature and local ethics commissions. The advisory group will be given 60 days to provide comments, questions or amendments. Commission staff will evaluate the comments and recommendations from the advisory group with the aim of incorporating changes in line with the goals of the project.

**Fall 2016** The Commission will provide notice and an opportunity for the general

public to comment on the proposed revision. This will be a 45-day public review period. Commission staff will evaluate and incorporate suggestions in

line with the goals of the project.

**December 2016** The Commission's Chair and Executive Director will present the revised

Political Reform Act to the Commission for approval.

**January 2017** Revised Political Reform Act submitted to the Legislature for consideration

and enactment.

We believe that this timeframe allows for a thoughtful and deliberate revision process that will yield an outstanding product – one that will serve as a model for other states and keep California at the forefront of campaign finance and governmental ethics.