To: Chair Miadich, Commissioners Baker, Cardenas, Wilson, and Wood

From: Lindsey Nakano, Sr. Legislative Counsel

Subject: Legislative Update – March 2022

Date: March 14, 2022

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1. General Update

- Commission priority legislation: 4 new bills containing the Commission's priority legislation have been introduced this year.
- Other Commission-related legislation: 9 other Commission-related bills are currently active.
- Pursuant to Commission direction at the February Commission meeting, a letter was sent to Assemblymember Berman reaffirming the Commission's support of AB 775 (Berman), relating to automatic recurring contributions, and encouraging the Legislature to move forward with the bill.
- Staff is continuing to reach out to and work with interested parties, stakeholders, and other members of the Legislature, and seek bipartisan support on Commission legislation.

2. Upcoming Legislative Deadlines

- Apr. 29 Last day for policy committees to hear and report fiscal bills introduced in their house to fiscal committees
- May 20 Last day for fiscal committees to hear and report bills introduced in their house to the floor
- May 27 Last day for each house to pass bills introduced in that house
- June 15 Budget bill must be passed by midnight
- July 1 Last day for policy committees to meet and report bills
- Aug. 12 Last day for fiscal committees to meet and report bills
- Aug. 25 Last day to amend bills on the floor

- Aug. 31 Last day for each house to pass bills
- Sept. 30 Last day for the Governor to sign or veto bills

3. FPPC Priority Legislation

Updates

- AB 2172 (Cervantes), currently a spot bill, was introduced on February 15, 2022. This bill will be amended to include the Commission's proposal eliminating the requirement to file duplicate paper filings under the PRA.
- SB 1483 (Glazer) was introduced on February 18, 2022, relating to the FPPC's new education program for individuals who commit low-level violations of the PRA.

Status and Summaries

• AB 775 (Berman) – Recurring contributions.

Summary:

AB 775 would require a candidate or committee to obtain affirmative consent from a person making a recurring contribution at the time of the initial contribution.

The bill would require a candidate or committee that accepts a recurring contribution to provide a receipt for each contribution, provide information necessary to cancel the recurring contribution, and immediately cancel a recurring contribution upon request.

<u>AB 1798</u> (Bryan) – Campaign disclosure: advertisements.
Status: Introduced on 2/7/22; referred to the Assembly Elections Committee on 2/18/22

Summary:

AB 1798 makes a minor change to an advertisement disclaimer law to allow certain committees to include the full required disclaimer on the ad itself, instead of requiring that the ad include only a hyperlink to the full disclaimer.

• <u>AB 2172</u> (Cervantes) – Spot bill.

Status: Introduced on 2/15/22

Summary:

AB 2172, currently a spot bill, will be amended to eliminate duplicate paper filings under the Act.

• SB 921 (Newman) – State Digital Advertisement Archive. Status: Introduced on 2/3/22; referred to the Senate Elections Committee on 2/16/22

Summary:

SB 921 would require a committee that pays for a digital advertisement, as defined, to submit a copy of the ad and other specified information to the Fair Political Practices Commission no later than the date that the campaign report is due for the attendant expenditure, or within 24 hours in the 90 days before an election.

The bill would require the Commission to make that information available in a publicly accessible online format and to maintain the information for no less than 12 years from the date the information was submitted.

The bill would require the information to be available to the public in a user-friendly format that includes search capabilities, including filtering by various parameters, and the ability to download raw data.

• **SB 1483** (Glazer) – New FPPC Education Program.

Status: Introduced on 2/18/22

Summary:

SB 1483 would codify in statute the Commission's new education program for individuals who have a low-level of experience with the Act and who commit violations of the Act that have minimal public harm. The bill would authorize the Commission to collect a small fee from participants, which would be deposited in the General Fund, and would seek funding for the program through an appropriation in the budget.

Other Commission Proposals:

- Political Advertisement Disclaimer Study
- Lobbying Reports and Audits
- o State or Local Agency Use of Public Funds for Campaign Communications
- o Electronic Filing of Statements of Economic Interests
- o Increase Transparency of Committee Bank Accounts
- o FPPC Special Investigator Authority
- o Gift Limit Reconciliation

4. Other Commission-Related Bills

Status and Summaries

• <u>AB 975</u> (Luz Rivas) – Statements of economic interests and reimbursement for gifts. Status: Passed in the Assembly on 1/31/22 (72-0)

Summary:

AB 975 would require certain public officials to file statements of economic interests using the Commission's electronic filing system and would revise and recast other provisions relating to those statements.

The bill would also extend the time that an official may pay reimbursement for a gift of admission to an invitation-only event from 30 days from the date of receipt of the gift, which is 30 days from the date of attendance, to 30 days from the end of the calendar quarter in which the gift was received, and would codify related regulations.

The bill would reduce the amount of time in which lobbyists, lobbying firms, and lobbyist employers must provide a beneficiary of a gift certain information about that gift from 30 days to 15 days following the end of each calendar quarter in which the gift was provided.

• <u>AB 1693</u> (Seyarto) – Contribution limits: recall elections: elected state officers. Status: Introduced on 1/25/22; referred to the Assembly Elections Committee on 2/3/22 Coauthors: Assembly Member Davies and Senator Wilk

Summary:

AB 1693 would extend the Act's contribution limits to apply to campaign contributions given to elected state officers to oppose the qualification of a recall measure or to oppose the recall election.

• <u>AB 1819</u> (Lee) – Contribution prohibition: foreign-influenced business entities. Status: Introduced on 2/7/22; referred to the Assembly Elections Committee on 2/18/22 Coauthors: Assembly Member Kalra and Senator Wieckowski

Summary:

AB 1819 would expand the foreign contribution prohibition to contributions, expenditures, or independent expenditures made by a foreign-influenced business entity, as defined, in connection with an election or ballot measure.

The bill would require a business entity to file a statement avowing that the entity was not a foreign-influenced business entity on the date that a contribution, expenditure, or independent expenditure was made.

The bill would prohibit a person from using funds received from a business entity for purposes of a contribution, expenditure, or independent expenditure in connection with a ballot measure or election unless the person receives a copy of the statement from the business entity.

• AB 2528 (Bigelow) – Cal-Access: additional filings.

Status: Introduced on 2/17/22

Summary:

AB 2528 requires an elected officer's statement, report, or document filed pursuant to the Act that is not currently filed with the Secretary of State to be filed with the SOS through their online filing and disclosure system, in addition to being filed with whoever the statement, report, or document is currently filed with under the PRA, such as the elected officer's local filing officer or the Commission.

• <u>AB 2544</u> (Mayes) – Spot bill.

Status: Introduced on 2/17/22

This is a PRA spot bill.

• <u>SB 1352</u> (Allen) – Reporting contributions.

Status: Introduced on 2/18/22

Summary:

SB 1352 would require a candidate for elective state office and a committee primarily formed to support or oppose such a candidate, as specified, to file a report disclosing the receipt of a contribution of \$1,000 or more at any time prior to 90 days before an election, and to do so within 72 hours of receipt.

• **SB 1360** (Umberg and Allen) – Advertisement disclosures.

Status: Introduced on 2/18/22

Principal Coauthors: Senator Stern and Assembly Members Cervantes, Mullin,

Muratsuchi, and Santiago

Coauthors: Senator Becker and Assembly Member Gabriel

Summary:

SB 1360 would require certain political advertisements to identify the top contributors to the campaign committee paying for the advertisement without regard to any minimum contribution threshold. This bill would make additional changes to the disclosure requirements for political advertisements, including changes to the required form,

content, and presentation of the disclosures depending on the medium in which the advertisement appears.

This bill would also make changes in the Elections Code relating to initiative, referendum, and recall petitions.

• <u>SB 1362</u> (Melendez) – Citizens Redistricting Commission: reporting payments to influence.

Status: Introduced on 2/18/22

Summary:

SB 1362 would require any person who makes payments to influence action of the Citizens Redistricting Commission totaling \$1,000 or more in a calendar year to submit reports to the Secretary of State containing specified information regarding those payments. The bill would require the Secretary of State to establish deadlines for the submission of these reports and an online system for their electronic submission.

• <u>SB 1439</u> (Glazer) – Contributions to local government agency officers: disqualification.

Status: Introduced 2/18/22 Coauthor: Senator Wilk

Summary:

Existing law under the Act prohibits an officer of an agency from accepting, soliciting, or directing a contribution of more than \$250 from any party, participant, or a party or participant's agent, while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for 3 months following the date a final decision is rendered in the proceeding, if the officer knows or has reasons to know that the participant has financial interest, as defined. The Act also prohibits a party, participant, or participant's agent from making a contribution of more than \$250 to an officer of the agency during the proceeding and 3 months following the date of the final decision. The Act exempts certain entities from these requirements, including local government agencies whose members are directly elected by the voters.

SB 1439 would remove that exception for local government agencies, thereby subjecting them to the prohibition described above. The bill would extend the prohibition on contributions from 3 to 12 months following the date a final decision is rendered in the proceeding.