



CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION
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To: Chair Silver and Commissioners Brandt, Ortiz, Wilson, and Zettel

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Subject: **Legislative Update – November 2025**

Date: November 6, 2025

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I. General Update

- This report includes potential legislation ideas for 2026. These ideas are presented to the Commission for discussion and feedback and for direction on which ideas to pursue as potential sponsored legislation.

II. Upcoming Legislative Deadlines

- Jan. 1 – Statutes take effect.
- Jan. 5 – Legislature reconvenes.

III. Ideas for Potential Sponsored Legislation

1. Mandatory campaign training for candidates and treasurers.

- i. Background: The PRA includes extensive requirements for committees, candidates, and treasurers for the purpose of promoting transparency, accountability, and integrity in state and local elections. These requirements, while crucial, are not necessarily intuitive.
- ii. Proposal summary: Require state-level candidates and treasurers to complete training on campaign requirements in the PRA. The scope of the proposal is under consideration and may also apply to local candidates and treasurers who are not already subject to mandatory training at the local level.
- iii. Effect of proposal: Candidates and treasurers would have a consistent, baseline understanding of their obligations under the PRA, which would promote better compliance.

2. Add authority for the FPPC to permit filing extensions in emergency situations.

- i. Background: The PRA does not include authority to extend filing deadlines in cases of natural disaster or other emergency situations.
- ii. Proposal summary: Authorize the FPPC to extend filing deadlines for individuals who live in areas affected by natural disaster or certain emergency situations.
- iii. Effect of proposal: The FPPC would have authority to respond with appropriate consideration when filing is delayed due to extreme circumstances out of the filer's control.

3. Extend existing authority to waive the late filing fee for a late Form 700.
 - i. Background:
 1. Under existing law, a late-filed Statement of Economic Interests (SEI) is subject to a late fee of \$10/day, with a maximum fine of \$100. Existing law provides discretionary authority to waive the late fee within 30 days of the filing deadline.
 2. The FPPC's SEI unit is commonly faced with imposing late filing fees against individuals in situations where FPPC staff believe a waiver would be appropriate. However, many of these late statements are not brought to the attention of the SEI unit until after the 30-day discretionary waiver period has lapsed. These situations include, among others, first-time filers who were unaware of their filing duty, filers who were not notified of their filing duty due to administrative error, and technical errors during the filing process.
 - ii. Proposal summary: Expand the authority of filing officers to waive the late filing fee for late Form 700s in appropriate situations or remove the 30-day period.
 - iii. Effect of proposal: The FPPC SEI unit would have authority to respond with appropriate consideration when Form 700s are filed late for understandable reasons.
4. Revise the requirements for nonprofit donor disclosure in connection with sponsored travel.
 - i. Background:
 1. Existing law requires 501(c)(3) and 501(c)(4) nonprofit organizations that pay for travel for elected officials to report certain donors to the FPPC under specified circumstances:
 - a. The donor donated \$1,000 or more to the nonprofit organization.
 - b. The donor accompanied the elected official, either personally or through an agent, employee, or representative, for any portion of travel.
 - c. The sum of the nonprofit organization's travel expenses with regard to elected officials was greater than 1/3 of its total expenses, as reflected on the nonprofit organization's

IRS Form 990 filed most recently within the last 12 months.

- d. The nonprofit makes payments that total more than \$10,000 in a calendar year, or that total more than \$5,000 in a calendar year for a single person, for travel by an elected officer.

2. Under the thresholds of existing law, very few nonprofit organizations are actually required to report, as [reported](#) by the Audit Division at the February 2025 Commission meeting.

ii. Proposal summary:

1. Eliminate existing filing thresholds and instead require a nonprofit organization to report if they make direct expenditures over a specified amount, to be determined, in travel payments for elected officials.
2. Require nonprofit organizations to report the direct costs for travel, hotels, and associated activities, such as rounds of golf, and enhance recordkeeping requirements.

- iii. Effect of proposal: More nonprofit organizations that pay for elected official travel would be required to report, leading to more transparency about nonprofit payments that benefit elected officials.

5. Clarify limits on use of campaign funds for travel.

i. Background:

1. Under the PRA, all campaign funds are held in trust for expenses associated with the election of the candidate or expenses associated with holding office.
2. The PRA permits use of campaign funds for travel expenses and necessary accommodations when these expenditures are directly related to a political, legislative, or governmental purpose.
 - a. Payments for travel and necessary accommodations are considered “directly related to a political, legislative, or governmental purpose” if the payments would meet standards similar to the standards of Sections 162 and 274 of the Internal Revenue Code for deductions of travel expenses under the federal income tax law.

- b. The standards cited above can be difficult to understand and apply for the regulated community and for FPPC staff.
 - ii. Proposal summary: Clarify the limits on use of campaign funds for transportation and lodging by creating a safe harbor provision that permits travel expenditures within a specified monetary limit, such as travelling under the lowest available class. If the candidate or elected official exceeds that limit, they must explain in their campaign statement how the expenditure directly relates to a political, legislative, or governmental purpose.
 - iii. Effect of proposal: Candidates and elected officers would have clear limits for travel expenditures that are easy to understand and apply. Additional disclosure on campaign statements for excess travel expenditures increases accountability and transparency.
- 6. Expand lobbyist prohibition to apply to lobbyist employers and lobbying coalitions.
 - i. Background:
 - 1. Existing law prohibits a lobbyist or lobbying firm from attempting to create a fictitious appearance of public favor or disfavor of any legislative or administrative action or causing any communication to be sent to an official or state candidate in the name of any fictitious person or in the name of any real person, except with the consent of such real person.
 - 2. The prohibition above may not reach who is paying for the communications, i.e., lobbyist employers and lobbying coalitions. Additionally, emerging technology has been used recently to mislead regarding what certain legislative or administrative actions would do.
 - ii. Proposal summary: Extend the prohibition above to additionally apply to lobbyist employers and lobbying coalitions.
 - iii. Effect of proposal: The existing prohibition would be strengthened and would further deter deceptive practices intended to influence legislative or administrative actions.
- 7. Add authority for automatic termination of inactive campaign committees.
 - i. Background:
 - a. The PRA and related regulations provide detailed requirements for terminating recipient committees.

- b. Many recipient committees that are no longer engaged in campaign activity fail to terminate and mistakenly discontinue filing required campaign statements, often leading to multiple complaints and referrals to the Enforcement Division. In addition, some committees register but never qualify. Those committees remain as active committees in the system unless terminated.
 - c. Existing regulation permits administrative termination of committees that meet certain criteria, under the discretion of the Chief of the Enforcement Division, and includes opportunity for the committee to object to termination within 45 days of receiving notice.
 - i. As a discretionary process, the administrative termination process requires staff review and an active assessment and determination by the Chief of Enforcement, which can be time-consuming and resource-intensive.
 - d. Additional statutory authority is needed to implement a streamlined, automatic termination process whereby committees may be terminated as a matter of law once certain objective criteria are met.
 - ii. Proposal summary: Add authority to automatically terminate committees that have been inactive for a specified period of time and that reported a minimal cash balance on their last campaign statement. The process would include advanced written notice and opportunity to object before the termination takes effect.
 - iii. Effect of proposal: Fewer complaints and referrals would be submitted to the Enforcement Division for inactive committees, and staff time would be saved on the administrative termination process.
8. Transfer the duty to conduct lobbyist training to the FPPC.
- i. Background: Existing law outside of the PRA requires the legislative ethics committees to conduct a semiannual orientation course on the relevant ethical issues and laws relating to lobbying, in consultation with the FPPC. Lobbyists are required to pay a fee for attending the course.
 - ii. Proposal summary: Transfer the duty to conduct this training to the FPPC, with training to be conducted virtually consistent with current practice. The FPPC would consult with the legislative ethics committees on components of the training that are outside of the PRA. Existing fee revenue would be transferred to the FPPC to fund the development of the

training and future fee revenue would be available for the virtual training and other IT tools to provide advice and training to lobbyists.

- iii. Effect of proposal: The FPPC would be responsible for conducting the lobbyist training and may have additional fee revenue available for other beneficial IT training resources for lobbyists.

9. Simplify the advertisement disclaimer requirements.

- i. Background: FPPC staff are in the process of identifying areas of the advertisement disclaimer requirements that have created issues, such as voter confusion, and unnecessary busy work for FPPC staff.
- ii. Proposal summary: Revise portions of the advertisement disclaimer rules to address issues identified by staff.