



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
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To: Chair Miadich and Commissioner Cardenas

From: Lindsey Nakano, Legislative Counsel

Subject: Legislative Update – March 2021

Date: March 8, 2021

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General Update

Staff is continuing to reach out to and work with Members of the Legislature and interested parties on Commission-sponsored proposals.

Committee Membership Update

[Senator Roth](#) (Riverside) has filled the vacant seat on the [Senate Budget Subcommittee No. 4 on State Administration and General Government](#).

Commission-Sponsored Bills

AB 236 (Berman) – Campaign disclosure: limited liability companies.

Status: Referred to the Assembly Committee on Elections (1/28/21)

Summary: AB 236 would require a committee to include within its campaign statement the name of each individual who owns or controls, or controls the contributions or expenditures of, a limited liability company or foreign limited liability company from which the committee received a campaign contribution. The bill would additionally make a limited liability company a multipurpose organization for these purposes, subject to specified registration and campaign reporting requirements, including the disclosure of information relating to the organization's donors.

SB 686 (Glazer) – Campaign disclosure: limited liability companies

Status: Introduced (2/19/21)

Summary: SB 686 would require an LLC, if it qualifies as a committee or committee sponsor, to file a statement of members with the Secretary of State. The bill would require the statement of members to include certain information about the LLC, including a list of all persons who have a membership interest in the LLC of at least 10% or who made a cumulative capital contribution of at least \$1,000 to the LLC after it qualified as a committee or sponsor of a committee, or within the 2 calendar years before it qualified. The bill also codifies Regulation 18421.10 on reporting contributions from LLCs, and codifies the portion of Regulation 18402.2 relating to disclosure of an LLC's responsible officer on committee statements and reports.

Other Commission-Related Bills

Updates

- AB 20 (Lee and Kalra) – Amended 3/1/21 to delete language stating the intent to enact legislation to create a public financing system for elections within the state, and to rename the act the “Corporate-Free Elections Act.”
- AB 975 (Luz Rivas) – Introduced 2/18/21.
- AB 1379 (Eduardo Garcia) – Introduced 2/19/21.
- AB 1524 (O'Donnell) – Introduced 2/19/21.
- SB 78 (Nielsen) – Amended 2/26/21 to delete the contents of the bill and to add new language, as described in the summary below.
- SB 79 (Nielsen) – Amended 3/7/21. SB 79, formerly a spot bill, was amended and no longer relates to the Political Reform Act.

Status and Summaries

AB 20 (Lee and Kalra) – Contribution prohibitions: business entities.

Status: Amended (3/1/21); Re-referred to the Assembly Committee on Elections (3/2/21)

Coauthors: Assembly Member McCarty; Senator Allen

Summary: AB 20, titled the “Corporate-Free Elections Act,” would prohibit a candidate for elective office from receiving a contribution from a business entity, and would prohibit a business entity from accepting those contributions.

AB 40 (Lorena Gonzalez) – Slate mailer disclosures.

Status: Referred to the Assembly Committee on Elections (1/11/21)

Summary: AB 40 would require slate mailers to include additional disclosures, including the number of members who make up the slate mailer organization or committee and the total amount paid by each candidate and ballot measure to appear on the slate mailer. The

bill would additionally delete a requirement relating to the maximum font size of an asterisk required when a candidate or ballot measure has paid to appear on the slate mailer.

AB 227 (Davies)– Contribution prohibitions: Governor’s appointees.

Status: Referred to the Assembly Committee on Elections (1/28/21)

Summary: AB 227 would prohibit a Governor’s appointee, a person residing in the appointee’s household, or another person at the request or demand of the appointee or a person residing in their household, during the term of the appointment and for one year after the term expires, from making a monetary contribution to the Governor’s campaign, or to a committee organized to benefit the Governor’s campaign. The bill would additionally require a prospective Governor’s appointee, if they or a member of their household made a contribution to the Governor’s campaign or committee within one year prior to the appointment, to, upon notice of the intended appointment, immediately disclose the contribution, and would prohibit the appointment unless the Governor or the committee refunds the contribution.

AB 319 (Valladares) – Campaign contributions: legal defense fund limits and foreign contribution prohibitions.

Status: Referred to the Assembly Committee on Elections (2/12/21)

Summary: AB 319 would extend the contribution limits imposed pursuant to the Act to contributions to the legal defense funds of candidates for elective office or elected officers, which are currently exempt from those limits. The bill would also prohibit a foreign government or principal from making contributions, expenditures, or independent expenditures in connection with the election of a candidate to state or local office, and would prohibit a person or a committee from soliciting or accepting those contributions. Note: existing law currently prohibits these foreign contributions and expenditures if they are made in connection with regard to state or local ballot measures.

AB 871 (Kiley) – Contribution prohibitions: investor-owned utilities.

Status: Referred to the Assembly Committee on Elections (2/25/21)

Summary: The bill would prohibit an investor-owned utility from making a contribution to a candidate for elective state office and would prohibit the acceptance of that contribution.

AB 975 (Luz Rivas) – SEI electronic filing and gift rules.

Status: Referred to the Assembly Committee on Elections (3/4/21)

Summary: The bill would revise and recast provisions relating to statements of economic interests, including by requiring certain public officials to file those statements using the Commission’s electronic filing system. The bill would also extend the time that a gift of admission to an invitation-only event may be returned, reimbursed, or donated from 30 days from receipt of the gift to 30 days from the end of the calendar quarter in which the gift was received, and would codify existing regulations relating to returning,

reimbursing, or donating gifts. 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.

AB 1367 (Low) – Political Reform Act (spot bill).

Status: Introduced (2/19/21)

Summary: AB 1367 is a nonsubstantive spot bill relating to the Political Reform Act.

AB 1379 (Eduardo Garcia) – Online platform disclosures.

Status: Introduced (2/19/21)

Summary: AB 1379 would amend the Political Reform Act to require an online platform to maintain and make available for online public inspection a description of the audience requested by the committee and the types of personal information, as defined, used by the online platform to target the advertisement, including use by the online platform of characteristics such as age, gender, race, or other protected classifications under law. The bill would require a specified officer of the online platform to personally certify, under penalty of perjury, that to their knowledge the online platform has correctly disclosed all activity under this law.

The bill would also amend the Elections Code to prohibit, until January 1, 2025, a committee from distributing, with actual malice, a false material statement of fact relating to a candidate or measure with the intent to deceive a voter into voting for or against the candidate or measure within 60 days of the election.

AB 1524 (O'Donnell) – Conflicts of interest (spot bill).

Status: Introduced (2/19/21)

Summary: AB 1524 is a nonsubstantive intent bill relating to conflicts of interest.

SB 78 (Nielsen) – Paid campaign or political consultants.

Status: Amended; Re-referred to the Senate Committee on Elections and Constitutional Amendments (2/26/21); Heard in committee (3/15/21)

Summary: SB 78 would prohibit a lobbyist from serving as a paid campaign or political consultant to an elected state officer. The bill would also prohibit a paid campaign or political consultant to any elected state officer from directly communicating on behalf of a client with any elected state officer, any employee of an elective state office, or any state agency for the purpose of influencing legislative or administrative action.

SB 305 (Jones) – Effective date of electronic filing requirements.

Status: Referred to the Senate Committee on Elections and Constitutional Amendments (2/10/21); Heard in committee (3/15/21)

Summary: SB 305 would change the effective date of certain provisions requiring electronic filing of specified statements and reports under the Act from the date that the

Secretary of State certifies the CAL-ACCESS replacement system to the effective date of the bill, which, as an urgency bill, would take effect immediately. The bill would apply to the statements of organization filed by recipient committees and slate mailer organizations, and the statements, reports, and other documents of committees and other persons not currently required to file electronically. The bill would also require the registration statements of lobbying firms, lobbyist employers, and lobbying coalitions to be filed only electronically, instead of both electronically and in paper form.

SB 459 (Allen) – Lobbying transparency (spot bill).

Status: Referred to the Senate Committee on Rules (2/25/21)

Summary: SB 459 is a nonsubstantive intent bill relating to increasing transparency in lobbying.