Date of Hearing: March 27, 2012

ASSEMBLY COMMITTEE ON ELECTIONS AND REDISTRICTING Paul Fong, Chair AB 1509 (Hayashi) – As Introduced: January 12, 2012

SUBJECT: Political Reform Act of 1974: statement of economic interests.

<u>SUMMARY</u>: Requires a notification to be posted on Internet Web sites maintained by a city clerk or county clerk identifying the elected officers who are required to file statements of economic interests (SEI) with that city or county clerk. Specifically, <u>this bill</u> requires each city clerk or county clerk who maintains an Internet Web site to post on that Internet Web site a notification including all of the following:

- 1) A list of elected officers who are required to file their SEIs with that city or county clerk pursuant to a specified provision of existing law;
- 2) A statement informing the public that a copy of the SEI for specified filers may be obtained by visiting either the Fair Political Practices Commission (FPPC) office, or the office of the city clerk or county clerk where the SEI is filed, including the physical address for the office of the FPPC, the city clerk, or the county clerk where the SEI is filed; and,
- 3) An electronic link to the FPPC Internet Web site including a statement that certain SEIs for state and local government agency officers may be available in electronic format by visiting the FPPC's Internet Web site.

EXISTING LAW:

- 1) Creates the FPPC, and makes it responsible for the impartial, effective administration and implementation of the Political Reform Act of 1974 (PRA).
- 2) Requires candidates for, and current holders of, specified elected or appointed state and local offices and designated employees of state and local agencies to file SEIs disclosing their financial interests, including investments, real property interests, and income (including gifts).

FISCAL EFFECT: Unknown. State-mandated local program; contains reimbursement direction.

COMMENTS:

- Purpose of the Bill: According to the author, "it can be difficult for interested parties to review or obtain a copy of a local elected official's Form 700. In an effort to increase public awareness and access to Form 700s, AB 1509 will require certain notifications to be posted on the websites of city or county clerks".
- 2) <u>Access to Form 700</u>: This measure requires that Internet Web sites maintained by a city clerk, or county clerk, identify which elected officers are required to file SEIs in their respective jurisdictions but does not require the actual SEI to be made available

electronically. The Committee may want to consider the usefulness of a notification that limits the viewer to only the names of the officials who are required to file SEIs in that jurisdiction but restricts access to actual copies of the SEI to individuals who are willing to visit the physical offices of the FPPC, the city clerk or the county clerk where the SEI is filed.

- 3) <u>State Mandates</u>: The 2011-2012 state budget included the suspension of various state mandates as a mechanism for cost savings. Included on the list of suspensions were all six existing elections-related mandates. All the existing elections-related mandates have been proposed for suspension again by the Governor in his budget for the 2012-2013 fiscal year. The Committee may wish to consider whether it is desirable to create new election mandates when current elections-related mandates are suspended.
- 4) <u>Re-Referral to Local Government</u>: Although this bill was not originally double-referred, the Committee has been instructed by the Assembly Rules Committee to send this measure to the Assembly Local Government Committee upon passage.
- 5) <u>Political Reform Act of 1974</u>: California voters passed an initiative, Proposition 9, in 1974 that created the FPPC and codified significant restrictions and prohibitions on candidates, officeholders and lobbyists. That initiative is commonly known as the PRA. Amendments to the PRA that are not submitted to the voters, such as those contained in this bill, must further the purposes of the initiative and require a two-thirds vote of both houses of the Legislature.

REGISTERED SUPPORT / OPPOSITION:

<u>Support</u> None on file. <u>Opposition</u> None on file.

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