

Date of Hearing: June 26, 2024

ASSEMBLY COMMITTEE ON ELECTIONS

Gail Pellerin, Chair

SB 1243 (Dodd) – As Amended June 19, 2024

SENATE VOTE: 30-2

SUBJECT: Campaign contributions: agency officers.

SUMMARY: Makes various changes to a state law commonly referred to as the “Levine Act” that restricts campaign contributions to agency elected officials from entities with business before the agency involving a license, permit, or other entitlement for use, including raising the threshold for campaign contributions regulated by the Act from \$250 to \$1,000. Specifically, **this bill:**

- 1) Increases, from \$250 to \$1,000, the campaign contribution threshold that triggers the applicability of the following provisions of the Levine Act, as amended in 2022:
 - a) A prohibition on an officer of the agency accepting, soliciting, or directing a campaign contribution of more than the threshold from a party, party’s agent, participant, or participant’s agent with a matter pending before the agency involving a license, permit, or other entitlement for use during the time the matter is pending before the agency and for 12 months following the date a final decision is rendered in the matter.
 - b) A requirement for an officer of the agency to disclose on the record of a proceeding the receipt of any campaign contribution of more than the threshold from a party to or participant in the proceeding in the preceding 12 months if the proceeding involves a license, permit, or other entitlement for use.
 - c) A prohibition on an officer of the agency making, participating in making, or attempting to influence the decision in any proceeding involving a license, permit, or other entitlement for use if the officer willfully or knowingly received a contribution of more than the threshold from a party, party’s agent, participant, or participant’s agent in the proceeding in the 12 months before the proceeding and the officer did not return that contribution within 30 days of knowing, or the time the officer should have known, of the contribution and the proceeding.
 - d) A requirement for a party to a proceeding before an agency involving a license, permit, or other entitlement for use to disclose on the record of the proceeding any contribution of more than the threshold made within the preceding 12 months by the party, or the party’s agent, to any officer of the agency.
 - e) A prohibition on a party to or participant in a proceeding involving a license, permit, or other entitlement for use pending before an agency from making a contribution of more than the threshold to an officer of that agency during the proceeding and for 12 months following the date a final decision is rendered by the agency in the proceeding.

- 2) Provides that a person is not a “participant” for the purposes of the Levine Act if their financial interest in the decision results solely from an increase or decrease in membership dues.
- 3) Exempts the following types of contracts from the types of actions that are subject to the Levine Act’s restrictions:
 - a) Contracts between two or more governmental agencies.
 - b) Contracts where neither party receives financial compensation.
 - c) The periodic review or renewal of development agreements.
- 4) Specifies that a “competitively bid contract,” which is not subject to the Levine Act’s restrictions under existing law, is a contract that is required by law, agency policy, or agency rule to be awarded to the highest or lowest responsible bidder with a responsive bid.
- 5) Limits the provisions of the Levine Act that require public officers to disclose specified campaign contributions on the record of proceedings and to recuse themselves from participating in proceedings based on campaign contributions received in the preceding 12 months such that the provisions apply only before a *final* decision in the proceeding, instead of applying before any decision in the proceeding in which the officer is involved.
- 6) Provides, for the purposes of the Levine Act, that contributions of an agent shall not be aggregated with contributions from a party or a participant. Prohibits an agent to a party or a participant from making a contribution in any amount to an officer during the proceeding and for 12 months following the date of the final decision.
- 7) Extends the period of time during which an officer may return a contribution that would otherwise require disqualification under the Levine Act, and thus be permitted to participate in the relevant proceeding, such that the officer can participate in the decision if the officer returns the campaign contribution before rendering any decision in the proceeding, even if that falls more than 30 days after the officer knows or should have known about the contribution and the proceeding.
- 8) Extends, from 14 days to 30 days following the acceptance, solicitation, or direction of a campaign contribution, the period of time during which an officer may cure a violation of the Levine Act related to a campaign contribution that exceeds the relevant threshold during the 12 month period following a final decision in a covered proceeding, as specified.
- 9) Provides that a proceeding involving a license, permit, or other entitlement for use is considered to be “pending” for the purposes of the Levine Act as follows:
 - a) For an officer, in either of the following situations:
 - i) An item involving the license, permit, or other entitlement for use is placed on the agenda for discussion or decision at a public meeting of the body of which the officer

- is a member.
- ii) The officer knows a proceeding involving a license, permit or other entitlement for use is within the jurisdiction of the officer's agency for its decision or other action, and that it will come before the officer in the officer's decisionmaking capacity.
- b) For a party or party's agent, or a participant or participant's agent, when an application is filed with an agency.
- 10) Codifies regulations that were adopted by the Fair Political Practices Commission (FPPC) that specify when a person is and is not an "agent" for the purposes of the Levine Act.
- 11) Makes conforming changes.

EXISTING LAW:

- 1) Creates the FPPC, and makes it responsible for the impartial, effective administration and implementation of the Political Reform Act (PRA). (Government Code §§83100, 83111)
- 2) Does all the following pursuant to the Levine Act:
 - a) Defines the following terms, for the purposes of the Levine Act:
 - i) "Party" to mean any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use.
 - ii) "Participant" to mean any person who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license, permit, or other entitlement for use and who has a financial interest in the decision, as specified.
 - iii) "Agency" to mean a state or local government agency other than the courts or any agency in the judicial branch of government, the Legislature, the Board of Equalization (BOE), or constitutional officers. (Government Code §84308(a))
 - b) Prohibits an officer of an agency from accepting, soliciting, or directing a contribution of more than \$250 from a party or agent of a party with a license, permit, or other entitlement for use pending before the agency, or from a participant in that matter or an agent of the participant if the officer knows or has reason to know that the participant has a financial interest in the matter, during the time the matter is pending before the agency and for 12 months after. (Government Code §84308(b))
 - c) Prohibits any officer of an agency who willfully or knowingly received a contribution of more than \$250 from a party or agent of the party with a matter pending before the agency involving a license, permit, or other entitlement for use, or a participant or agent of the participant in that matter if the officer knows or has reason to know that the participant has a financial interest in the decision, in the 12 months before the proceeding from making or influencing the decision in the proceeding, as specified. (Government

Code §84308(c)) Allows an officer to participate in the proceeding if the officer returns the contribution within 30 days of knowing, or the time the officer should have known, of the contribution and the proceeding. (Government Code §84308(d)(1))

- d) Permits an officer who accepts, solicits, or directs a contribution of more than \$250 during the 12 months after the date a final decision is rendered in a proceeding involving a license, permit, or other entitlement for use from a party, party's agent, participant, or participant's agent, to cure the violation by returning the contribution or the portion exceeding \$250 within 14 days of accepting, soliciting, or directing the contribution, whichever comes latest. Provides that an officer is permitted to cure such a violation only if the officer did not knowingly and willfully accept, solicit, or direct the prohibited contribution, and requires the officer or the officer's controlled committee to maintain records of curing the violation. (Government Code §84308(d)(2))
- e) Requires a party to a proceeding before an agency involving a license, permit, or other entitlement for use to disclose on the record of the proceeding any contribution of more than \$250 made within the preceding 12 months by the party, or the party's agent, to any officer of the agency. Prohibits a party to or participant in a proceeding involving a license, permit, or other entitlement for use pending before an agency from making a contribution of more than \$250 to an officer of that agency during the proceeding and for 12 months following the date a final decision is rendered by the agency in the proceeding. (Government Code §84308(e))
- f) Provides that a proceeding involving a license, permit, or other entitlement for use is considered pending only under the following circumstances:
 - i) For an officer, a proceeding involving a license, permit, or other entitlement for use is pending when:
 - (1) The decision is before the officer for the officer's consideration. If the officer is a member of a governing body, this includes any item placed on the agenda for discussion or decision at a public meeting of the body; or
 - (2) The officer knows or has reason to know a proceeding involving a license, permit or other entitlement for use is before the jurisdiction of the agency for its decision or other action, and it is reasonably foreseeable the decision will come before the officer in the officer's decisionmaking capacity.
 - ii) For a party or party's agent, or a participant or participant's agent, a proceeding involving a license, permit or other entitlement for use is pending when it is before the jurisdiction of the agency for its decision or other action. (2 Code of California Regulations §18438.2(b))
- g) Provides that the following contributions shall be aggregated in determining whether a contribution of more than \$250 has been made during a 12-month period by a party to or participant in a proceeding involving a license, permit, or other entitlement for use:

- i) Contributions made by the party or participant.
- ii) Contributions made by an agent of the party or participant during the shorter of:
 - (1) The previous 12-month period; or
 - (2) The period beginning on the date the party or participant first hired the agent as either a paid employee, contractor, or consultant.
- iii) Contributions made by an individual or entity, as specified, that would be required to be aggregated with the party, participant, or agent under existing law because of the party's, participant's, or agent's involvement in directing and controlling the contribution. (2 Code of California Regulations §18438.5)
- h) Provides that a person is the "agent" of a party to, or a participant in, a covered proceeding only if the person represents that party or participant for compensation and appears before or otherwise communicates with the governmental agency for the purpose of influencing the pending proceeding. Provides that if an individual acting as an agent is also acting as an employee or member of a law, architectural, engineering or consulting firm, or a similar entity or corporation, both the entity or corporation and the individual are "agents."
- i) Provides for this purpose that "communication with the governmental agency for the purpose of influencing the proceeding" does not include the following:
 - (1) Drawings or submissions of an architectural, engineering, or similar nature prepared by a person for a client to submit in a proceeding before the agency if:
 - (a) The work is performed pursuant to the person's profession; and,
 - (b) The person does not make any contact with the agency other than contact with agency staff concerning the process or evaluation of the documents prepared by the official; or,
 - (2) Purely technical data or analysis provided to an agency by a person who does not otherwise engage in direct communication for the purpose of influencing the proceeding. (2 Code of California Regulations §18438.3)

FISCAL EFFECT: None. This bill is keyed non-fiscal by the Legislative Counsel.

COMMENTS:

- 1) **Purpose of the Bill:** According to the author, "SB 1243 amends the Levine Act to provide a workable, transparent process for addressing perceived conflicts of interest. The existing law has presented implementation problems, has had a chilling effect on political participation and unintentionally promotes dark money independent expenditures which are less transparent to the public."

- 2) **Levine Act of 1982 and SB 1439 (Glazer) of 2022:** The Levine Act, named after its author Assemblymember Mel Levine, restricts campaign contributions made to officers of state and local agencies by parties to a proceeding pending before those agencies. Enacted in 1982, the Levine Act was a response to reports that members of a state agency sought to raise money from individuals and entities that had permit requests pending before the agency. The Levine Act is unique among the provisions of the PRA in that it is the only area in which a campaign contribution can be the basis for a disqualifying conflict of interest. The PRA otherwise does not treat campaign contributions as a potential basis for conflicts of interest.

The Levine Act is narrowly drafted to apply only to proceedings involving licenses, permits, or other entitlements for use. Proceedings of a more general nature and with broader applicability are not covered by the Levine Act. Additionally, until recently, the Levine Act only applied to decisions made by agencies with membership that was *not* directly elected by voters. It did not apply to the judicial branch, local governmental bodies whose members were elected directly by the voters, members of the Legislature and the BOE, or constitutional officers. Aside from clean-up legislation in 1984 (AB 2992 (M. Waters), Chapter 1681, Statutes of 1984) that made various clarifying and other changes to facilitate enforcement, the Levine Act was largely unchanged for the first 40 years that it was in effect.

In 2022, the Legislature passed and Governor Newsom signed SB 1439 (Glazer), Chapter 848, Statutes of 2022, which made substantial changes to the Levine Act. Perhaps most notably, SB 1439 significantly broadened the reach of the Levine Act by making it applicable to local agencies whose members are directly elected by the voters. As a result, since January 1, 2023, the restrictions of the Levine Act have applied to every county board of supervisors, city council, and school board in the state, along with special districts that were not previously subject to the law.

SB 1439 also made various other changes to the Levine Act, including increasing the period of time following a covered agency action, from three months to 12 months, during which an officer subject to the Levine Act is prohibited from accepting, soliciting or directing a contribution of more than \$250 from a party or participant in the matter, and during which a party or participant in the matter is prohibited from making such a contribution. SB 1439 also created a “cure” process to allow an officer to avoid liability if the officer returned a prohibited contribution that the officer received in the 12 months following a covered action within 14 days, as specified.

Supporters of SB 1439 argued that the changes made by that bill were important for protecting against quid pro quo corruption and its appearance in the types of governmental decisions – licensing, permitting, and contracting – that pose a high risk of pay-to-play exchanges because the impacts of those decisions are disproportionately felt by the parties that are seeking the award of those licenses, permits, and contracts. SB 1439 was approved by this committee by a 5-0 vote and was approved by the Assembly by a 66-0 vote.

- 3) **Implementation of SB 1439:** Although there were no letters of opposition or concerns submitted to this committee during its consideration of SB 1439, affected entities have raised considerable questions and concerns about its implementation since the bill was signed into law. In February 2023, the Family Business Association of California, a number of other

trade and industry business associations, and two local elected officials challenged the provisions of SB 1439 in the Sacramento Superior Court, arguing that the bill was an unconstitutional amendment of the PRA and an unconstitutional restriction on the rights of campaign contributors and elected officials to free speech and the freedom of association. The court rejected that challenge, finding that SB 1439 furthers the purposes of the PRA as enacted by the voters. The court additionally found that there was sufficient evidence that SB 1439 sought to address quid pro quo corruption or its appearance, and was “closely drawn to avoid abridgment of associational rights.” The Superior Court’s decision was not appealed.

Separately, the FPPC has grappled with a number of issues in connection with the implementation of SB 1439. In response to a request from the League of California Cities, the FPPC issued a legal opinion (*Kendrick* Opinion, No. O-22-002) less than three months after SB 1439 was signed by the Governor, and just nine days before it took effect, in which the FPPC concluded that SB 1439 did not prohibit a local elected official from taking part in a proceeding involving a license, permit, or other entitlement for use based on contributions received before the January 1, 2023, effective date of the bill.

The FPPC also adopted extensive regulations implementing SB 1439 in June 2023, including regulations that codified the *Kendrick* Opinion and clarified the application and definitions of various terms in SB 1439. The FPPC has issued more than a dozen advice letters concerning the provisions of the Levine Act since the passage of SB 1439, and has conducted multiple trainings and webinars related to SB 1439 and its requirements.

- 4) **Levine Act’s \$250 Disqualification Threshold:** The campaign contribution threshold that can trigger disqualification under the Levine Act has been changed only once in the 40 years since its enactment. Specifically, SB 491 (Marks), Chapter 764, Statutes of 1989, changed the threshold from contributions of \$250 or more to contributions of more than \$250, effectively an increase of \$0.01.

According to an inflation calculator operated by the federal Bureau of Labor Statistics, when adjusted for inflation, \$250 in 1982 has approximately the same purchasing power as about \$800 today.

- 5) **Local Contribution Limits:** Under existing law, local governments generally have the authority to adopt campaign contribution limits for elections to local offices in their jurisdictions. The restrictions imposed by the Levine Act, as amended in 2022, operate independently of any local contribution limits that apply in a jurisdiction. That is, a contribution made to a candidate for local office is subject to any relevant local campaign contribution limit even if that contribution would not trigger the provisions of the Levine Act. Similarly, a contribution made to a candidate for local office may trigger the restrictions of the Levine Act even if that contribution is below the local campaign contribution limit.

This bill proposes to increase the disqualification threshold under the Levine Act from \$250 to \$1,000. Many local jurisdictions have campaign contribution limits that are higher than \$250, but lower than \$1,000. In those jurisdictions, the local campaign contribution limits would continue to apply even if this bill is enacted in its current form. For example, if a local jurisdiction had a \$750 campaign contribution limit, contributions to candidates for local

office would continue to be limited to \$750 even if the Levine Act threshold is raised to \$1,000 as proposed by this bill.

- 6) **Excluded Contracts and Potential Amendments:** This bill proposes to exempt various proceedings from being covered by the Levine Act. Specifically, this bill provides that none of the following types of proceedings are subject to the Levine Act's restrictions:
- a) **Contracts between two or more government agencies.** Government agencies may enter into contracts for a variety of reasons, including coordinating the delivery of services. Generally speaking, these are not the types of proceedings that the Levine Act was designed to address.
 - b) **Contracts where neither party receives financial compensation.** Governments frequently enter into contracts that establish legal obligations and responsibilities for parties to the contract without providing for any compensation. For example, a governmental body may enter into a data sharing agreement with another entity. These types of contracts do not appear to be the types of proceedings that the Levine Act was designed to address.
 - c) **Periodic reviews or renewals of development agreements.** In an advice letter issued in late 2023, the FPPC concluded that a city's mandated annual review of a development agreement triggered the restrictions of the Levine Act. Because the Levine Act prohibits an officer of an agency from accepting, soliciting, or directing a contribution of more than \$250 from a party to a covered proceeding during the time the matter is pending before the agency and for 12 months after, the fact that previously-approved development agreements are subject to an annual review effectively could serve as a de facto ban on campaign contributions by the parties to that development agreement.

While these types of reviews of development agreements may result in few if any changes to the agreement, it is also possible that significant modifications or amendments could be made as part of a review. In that case, those amendments could have significant financial effects for parties to the development. Reviews of development agreements that have a substantial financial effect on the parties to the agreement seem consistent with the types of proceedings that the Levine Act was designed to address. On the other hand, making the Levine Act applicable to periodic reviews that are more ministerial in nature or that do not result in significant modifications or amendments to the agreement seems broader than necessary to accomplish the Levine Act's purposes. Related legislation that is also being heard in this committee today, as described below, provides that periodic reviews of these types of agreements are excluded from the Levine Act's provisions unless there are material modifications or amendments proposed to the agreement. That approach appears to address the concerns about development agreement reviews in a more targeted way that is consistent with the purposes of the Levine Act. The committee may wish to consider amending this bill to add similar language exempting periodic reviews of development agreements from the Levine Act only if those reviews do not involve material modifications or amendments to the agreement.

- 7) **Competitively Bid Contracts:** Existing law excludes competitively bid contracts from the types of proceedings that are covered by the Levine Act, but does not define that term. While the FPPC has adopted regulations that define that term, those regulations do not account for situations where a competitively bid contract is required to be awarded to the *highest* bidder (e.g., when a jurisdiction is selling property), nor do the regulations account for situations where a contract is required to be competitively bid by policy or rule, rather than by law. This bill codifies a definition of competitively bid contracts that includes those situations, which should help ease potential compliance challenges for local governments by clearly excluding those contracts from the provisions of the Levine Act.
- 8) **“Pending” Actions:** Various provisions of the Levine Act apply while a covered decision is “pending” before a governmental body, but the Levine Act does not define what it means for a decision to be pending. The FPPC has defined that term by regulation, with the term being defined in a different way for public officials than for parties, participants, and their agents.

This bill generally adopts the FPPC’s regulatory definition of pending as it applies to parties, participants, and their agents. Additionally, as the term applies to public officials, this bill codifies a modified version of the FPPC’s regulatory definition. The primary difference is that the existing regulation provides that a decision is considered to be pending before an officer if the officer knows or has reason to know that a covered proceeding is before the jurisdiction of the agency for its decision or other action, and it is reasonably foreseeable the decision will come before the officer in the officer’s decisionmaking capacity. This bill deletes the “has reason to know” and “reasonably foreseeable” portions of that definition, thereby limiting that part of the definition to situations where the officer knows that the proceeding is within the jurisdiction of the officer’s agency and that it will come before the officer. Certain types of actions may be before the jurisdiction of an agency for several years before the elected officers of that agency make a decision on the action, and stakeholders have expressed concern that the subjective nature of the “has reason to know” portion of the definition creates uncertainty and compliance challenges for elected officials.

- 9) **Aggregation of Agent Contributions:** Under a regulation adopted by the FPPC to interpret and implement the Levine Act, contributions made by a party or participant’s agent are required to be aggregated with contributions made by the party or participant in determining whether the campaign contribution threshold has been reached. Stakeholders who support this bill argue that the aggregation rules create unreasonable complexity. In particular, local governments have indicated that identifying agents of parties and participants has been especially challenging for those governments in attempting to determine whether members of a governing board are disqualified from participating in a decision.

This bill seeks to address those challenges by providing that contributions made by an agent shall not be aggregated with contributions made by a party or participant to a proceeding. To ensure that this change does not undermine the purposes of the Levine Act, however, this bill also prohibits agents to parties and participants from making campaign contributions of *any* amount to agency officials while the proceeding is pending and for 12 months thereafter.

Opponents of this bill express concern that the ban on agent contributions could be invalidated by a court. If that were to happen, opponents are concerned that the provision of

this bill providing that agent contributions are not aggregated would undermine the Levine Act's restrictions by allowing multiple agents of a party or participant to make campaign contributions to agency officials.

- 10) **“Participants” and Membership Dues:** This bill provides that a person is not a “participant” for the purposes of the Levine Act if that person’s only financial interest in the proceeding is an increase or decrease in membership dues that would result from the agency’s action in that proceeding. Under FPPC regulations, a membership organization could be deemed to have a financial interest in a proceeding covered under the Levine Act, and thus could be considered a “participant” in that proceeding, if the decision would change the organization’s membership by a large enough amount to increase or decrease its annual receipts by at least 5% if the increase or decrease is at least \$10,000.

Proponents of this bill argue that the determination of whether an organization has such a financial interest in a proceeding may be unknown or uncertain and speculative, both for the organization and for the public officials who are trying to determine whether the organization is a “participant.” They further argue that this uncertainty may chill participation in the democratic process by membership organizations, and may cause elected officials to recuse themselves from making decisions in proceedings where there is uncertainty about whether an organization’s financial interest would disqualify the official.

- 12) **“Final” Decision:** As detailed above, this makes certain provisions of the Levine Act applicable to public officers only before a *final* decision is made in a proceeding, rather than applying before *any* decision in the proceeding in which the officer is involved. Stakeholders supporting this bill argue that this change is appropriate because certain proceedings covered by the Levine Act can be pending with an agency for many years, and it is possible that the members of the agency’s governing body could turn over entirely during that time. Accordingly, they argue that the applicability of the Levine Act to *any* decision is overly burdensome and not narrowly tailored to addressing the concern around the potential for quid pro quo corruption that the Levine Act is designed to address.

On the other hand, opponents of this bill argue that limiting the Levine Act’s applicability to final decisions could undermine the purpose of the law in situations where major decisions on a covered proceeding are made by local officials prior to a final decision. As an example, opponents point to situations where committees of the full governing body make major decisions that set the parameters of the final decision that is made by the full governing body.

While excluding *all* decisions made by a local official on a proceeding prior to the *final* decision from coverage under the Levine Act may weaken state law, a more narrowly tailored exception may help minimize compliance burdens without undermining the purposes of the Levine Act.

- 11) **Technical Amendment:** To correct a technical error, committee staff recommends the following amendment to this bill:

On page 6, line 1, after “compensation” insert: “and appears before”

12) **Arguments in Support:** In a coalition letter, supporters of this bill write:

Recent overreaching and overly broad changes to Government Code Section 84308 have resulted in a de facto prohibition on contributions to candidates for local elected officials. Applicants for a permit, license or land use entitlement are not willing to risk recusal of a local official in determining the outcome of much needed housing, particularly given the track record that contributions are not having an impact on decision-making...

A recent FPPC advice letter (I-23-178) issued on December 29, 2023, finds that for properties subject to a development agreement are also subject to the restrictions of section 84308 for the full term of the development agreement and are binding on successors in interest to the developer. Development agreements last as long as 99 years after the project is approved. During that time, any subsequent purchaser of a home, who for example may pursue a lot split to build an ADU, is subject to these restrictions. It is unlikely that any of them are aware of this condition, nor are they likely to know whether a previous owner has contributed to a local elected official...

Most importantly, we are concerned that, because of this de facto prohibition on contributions to candidates for local office, only very wealthy people who can finance their own campaigns will run for local office. That will not yield elected officials who are balanced in their views, nor will they be representative of the people.

13) **Arguments in Opposition:** In a coalition letter, opponents of the bill write:

The Levine Act was enacted in 1983 in response to a scandal reported in The Los Angeles Times in which several coastal commissioners explicitly solicited and received large campaign contributions from people who had business pending before them. Bias, corruption, and undue influence of these special interests in the decision-making process was rampant.

In 2022, the legislature extended the Levine Act to cover local elected officials by unanimously passing SB 1439. Prior to SB 1439, conflicts of interests by local special interests were so common in some communities that former Assembly Speaker Rendon called his home region a “corridor of corruption”...

Unfortunately, as written, SB 1243 would increase fourfold the Levine Act’s campaign contribution cap from \$250 to \$1,000, would allow exemption of major modifications or amendments to development agreements, and depending on the outcome of potential court cases could cause major problems by eliminating long-standing aggregation rules for agents of a party or participant. It would even allow elected officials who received large contributions above the limits to vote in committees where the most important decisions are often made...

It is for these reasons that we regretfully but strongly oppose SB 1243 as

written... Currently, it substantially weakens the good government protections of the Levine Act, making it both troubling from a policy perspective and also highly vulnerable to legal challenge.

- 14) **Related Legislation:** AB 2911 (McKinnor), which is pending in the Senate Elections & Constitutional Amendments Committee, proposes raising the threshold for contributions regulated by the Levine Act from \$250 to \$1,500. AB 2911 was approved by this committee on a 7-0 vote, and was approved on the Assembly Floor by a 63-0 vote.

SB 1181 (Glazer), which is also being heard in this committee today, proposes various changes to the Levine Act.

- 15) **Political Reform Act of 1974:** 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:

Support

Boma California
 Building Industry Association of San Diego County
 Building Industry Association of the Greater Valley
 California Apartment Association
 California Association of Realtors
 California Builders Alliance (prior version)
 California Building Industry Association
 California Business Properties Association
 California Business Roundtable (prior version)
 California Chamber of Commerce
 California Contract Cities Association (prior version)
 California Hispanic Chamber of Commerce (prior version)
 California Labor Federation, AFL-CIO (prior version)
 California Professional Firefighters
 California Retailers Association
 California State Association of Electrical Workers (prior version)
 California State Council of Laborers
 California State Pipe Trades Council (prior version)
 California Teamsters Public Affairs Council (prior version)
 City of Lomita (prior version)
 City of Norwalk
 City of Oakland - City Attorney's Office (prior version)
 County of Fresno (prior version)
 County of Los Angeles Board of Supervisors (prior version)
 County of Santa Clara Office of the County Counsel (prior version)

El Dorado County Chamber of Commerce (prior version)
El Dorado Hills Chamber of Commerce (prior version)
Elk Grove Chamber of Commerce (prior version)
Family Business Association of California
Folsom Chamber of Commerce (prior version)
Home Builders Association of Kern County
Home Builders Association of the Central Coast
League of California Cities (prior version)
Lincoln Area Chamber of Commerce (prior version)
NAIOP California
North State Building Industry Association
Rancho Cordova Area Chamber of Commerce (prior version)
Rocklin Area Chamber of Commerce (prior version)
Roseville Area Chamber of Commerce (prior version)
Sacramento Regional Builders Exchange (prior version)
San Bernardino County (prior version)
San Diego City Attorney's Office (prior version)
San Francisco City Attorney's Office (prior version)
Shingle Springs/Cameron Park Chamber of Commerce (prior version)
State Building & Construction Trades Council of California (prior version)
United Chamber Advocacy Network (prior version)
Western States Council Sheet Metal, Air, Rail and Transportation (prior version)
Westside Council of Chambers of Commerce (WC3)
Yuba Sutter Chamber of Commerce (prior version)

Opposition

350 Conejo / San Fernando Valley (unless amended)
California Church Impact (unless amended)
California Clean Money Campaign (unless amended)
California Climate Voters (unless amended)
California Common Cause (unless amended)
Californians for Disability Rights (unless amended)
Clean Earth 4 Kids (unless amended)
Consumer Watchdog (unless amended)
Contra Costa Moveon (unless amended)
Courage California (unless amended)
Endangered Habitats League (unless amended)
Extinction Rebellion San Francisco Bay Area (unless amended)
Foothills Community Democrats (unless amended)
Glendale Environmental Coalition (unless amended)
Indivisible Alta Pasadena (unless amended)
Indivisible CA: Statestrong (unless amended)
Indivisible Marin (unless amended)
Indivisible Media City Burbank (unless amended)
Indivisible Sacramento (unless amended)
Indivisible Santa Barbara (unless amended)

Indivisible Ventura (unless amended)
League of Women Voters of California (unless amended)
Los Angeles for Democracy Vouchers (unless amended)
Money Out People In (unless amended)
Money Out Voters In (unless amended)
Pink Panthers (unless amended)
Progressive Democrats of Santa Monica Mountains (unless amended)
Recolte Energy (unless amended)
Represent.us, Los Angeles-San Gabriel Valley Chapter (unless amended)
Rooted in Resistance (unless amended)
Rootsaction.org (unless amended)
San Joaquin Valley Democratic Club (unless amended)
Unrig LA (unless amended)
Venice Resistance (unless amended)
Voices for Progress (unless amended)
More than 3,200 individuals indicating opposition via petitions circulated by organizations
opposing this bill

Analysis Prepared by: Ethan Jones / ELECTIONS / (916) 319-2094