

Date of Hearing: May 1, 2012

ASSEMBLY COMMITTEE ON ELECTIONS AND REDISTRICTING

Paul Fong, Chair

AB 2691 (Elections & Redistricting Committee) – As Introduced: March 14, 2012

SUBJECT: Political Reform Act of 1974: online and electronic filing.

SUMMARY: Repeals obsolete provisions of the Political Reform Act of 1974 (PRA) related to the online or electronic disclosure of campaign and lobbying information. Specifically, this bill:

- 1) Repeals an obsolete provision of the PRA that requires the Secretary of State (SOS) to implement an online or electronic disclosure program in connection with the 2000 state primary election and specified lobbying activities.
- 2) Repeals an obsolete provision of the PRA that required all candidates and ballot measure committees that were required to file campaign disclosure reports in connection with a statewide elective office or a state measure appearing on the November 1998 ballot to provide a copy of any required report on a computer disk in either an ASCII or PDF format.
- 3) Repeals an obsolete provision of the PRA that appropriated \$1.1 million in 1997 from the General Fund to the SOS for the purposes of developing an online and electronic disclosure system.
- 4) Makes corresponding changes.

EXISTING LAW:

- 1) Creates the Fair Political Practices Commission (FPPC), and makes it responsible for the impartial, effective administration and implementation of the PRA.
- 2) Requires all candidates and committees that are required to file campaign reports in connection with a state elective office or state measure to file those reports online or electronically if the cumulative amount of contributions received, expenditures made, loans made, or loans received is \$25,000 or more.
- 3) Requires general purpose committees, including political party committees and small contributor committees, that cumulatively receive contributions or make expenditures of \$25,000 or more to support or oppose candidates for any elective state office or state measure, to file campaign reports online or electronically.
- 4) Requires slate mailer organizations to file campaign reports online or electronically if the cumulative reportable payments received or made for the purposes of producing slate mailers is \$25,000 or more.
- 5) Requires lobbyists, lobbying firms, lobbyist employers, and other persons required to file periodic lobbying disclosure reports to file such reports online or electronically if the total amount of any category of reportable payments, expenses, contributions, gifts, or other items

is \$2,500 or more in a calendar quarter.

FISCAL EFFECT: Keyed non-fiscal by the Legislative Counsel.

COMMENTS:

- 1) Purpose of the Bill: This is one of the Assembly Elections & Redistricting Committee's annual omnibus bills, containing various minor and technical changes to the PRA.
- 2) Electronic Campaign Disclosure: SB 49 (Karnette), Chapter 866, Statutes of 1997, enacted the Online Disclosure Act, requiring the SOS to develop a process whereby campaign and lobbying reports and statements required to be filed pursuant to the PRA could be filed online or electronically and viewed by the public online. Among other provisions, SB 49 established specific electronic reporting requirements for the November 1998 and March 2000 statewide elections, and established specific electronic reporting requirements for lobbyists, lobbying firms, and lobbyist employers for part of the 2000 calendar year. Because those provisions were effective only for specific time periods, those provisions of the PRA are now obsolete; the ongoing requirements for campaign and lobbying reports to be filed electronically are located elsewhere in the PRA.

Additionally, SB 49 added a provision to the PRA that appropriated \$1.1 million for the development of the online and electronic disclosure system. Because the online and electronic disclosure system has already been built and this money has been spent, this provision of law is also obsolete.

This bill repeals these obsolete provisions of the PRA. Additionally, this bill makes corresponding changes by deleting cross references to one of those obsolete sections in another section of the PRA.

- 3) 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

Fair Political Practices Commission

Opposition

None on file.

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