



**FAIR POLITICAL PRACTICES COMMISSION**

428 J Street • Suite 620 • Sacramento, CA 95814-2329

(916) 322-5660 • Fax (916) 322-0886

**To:** Chairwoman Ravel and Commissioners Eskovitz, Garrett, Montgomery, and Rotunda

**From:** Tara Stock, Legislative Coordinator

**Subject:** Legislative Report

**Date:** March 31, 2011

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Since the February Commission hearing, several bills affecting the Political Reform Act have been introduced. Summaries of all proposals and positions as recommended by staff are below.

**Current Legislation – Positions Not Yet Approved by Commission**

**SB 18 (Blakeslee)**

**Gifts from Lobbying Entities**

This bill would prohibit lobbying entities from making specified gifts (e.g., sporting event and concert tickets) to an elected state official or to a member of the official's immediate family. The bill would also prohibit an elected state official from accepting the specified gifts.

**Status: Senate Rules.**

***Staff Recommended Position: Neutral***

The Political Reform Act does not contemplate an outright ban on gifts. The focus of the Act is on disclosure. The Commission may wish to discuss the policy merits of a ban vs. disclosure.

**SB 19 (Blakeslee)**

**Campaign Telephone Calls**

This bill would require the Secretary of State to establish, manage, and maintain a California Political Robocall Do Not Call List, which shall contain the names and phone numbers of registered voters who have elected to be on the list. It would prohibit any person from making an automated campaign telephone call (including a text message) to any person on the list.

**Status: Senate Rules.**

***Staff Recommended Position: Neutral***

While this measure amends the Act, it does not directly affect the Commission.

**SB 265 (La Malfa)**

**Committees**

This bill in its current form makes nonsubstantive changes to Government Code Section 82013, which defines "committee." There is no substantive language yet.

**Status: Senate Rules.**

***Staff Recommended Position: Await language***

**SB 334 (DeSaulnier)**

**Ballot Pamphlet**

In its current form, this bill language is similar to AB 65 (Gatto), which the Commission adopted a “support” position on at the February 10, 2011, meeting. It requires the Secretary of State to include in the statewide ballot pamphlet a list of the five highest contributors of \$50,000 or more to each primarily formed committee *supporting* each state measure, as well as the total amount of their contributions.

**Status: Senate Elections, Reapportionment & Constitutional Amendments Committee. Hearing is scheduled for April 5, 2011.**

***Staff Recommended Position: Neutral***

While this measure amends the Act, it does not directly affect the Commission.

**SB 398 (Hernandez)**

**Placements Agents**

This bill amends the definitions of “placement agents” and “external managers” in the laws related to public pension and retirement systems. It amends the Act to make conforming changes.

**Status: Senate Rules.**

***Staff Recommended Position: Support***

This is a clean-up measure intended to provide clarity within the Act’s lobbyist provisions.

**SB 439 (Negrete McLeod)**

**Gift Limits for CalPERS and STRS**

This bill would prohibit any board member and any designated employee of the Public Employees’ Retirement System (CalPERS) or the State Teachers’ Retirement System (STRS) from accepting gifts totaling more than \$50 in a calendar year from persons who have secured a contract with, or submitted a contract proposal to, CalPERS or STRS within the previous five years.

**Status: Passed Senate Public Employees’ Retirement System Committee. Referred to Senate Elections, Reapportionment & Constitutional Amendments Committee.**

***Staff Recommended Position: Neutral***

The Political Reform Act currently contains provisions allowing state and local entities to adopt more stringent reporting requirements than required by the Act. The Commission may wish to discuss the policy merits of requiring more stringent gift limits on one segment of public officials, rather than the group as a whole.

**SB 488 (Correa)**

**Slate Mailers**

This bill would provide that, if a slate mailer organization sends a mailer that displays a logo, insignia, emblem, or trademark that is identical or substantially similar to that of a governmental agency, or of a nongovernmental organization that represents law enforcement, firefighting, emergency medical, or other public safety personnel, the slate mailer organization would be required to obtain the express written consent of the agency or organization. In addition, if a slate mailer organization sends a mailer that identifies itself or its source material as representing a nongovernmental organization with a name that would reasonably be understood to imply that the organization is composed of, or affiliated with, law enforcement, firefighting, emergency medical, or other public safety personnel, the mailer would be required to disclose the total number of members in the organization identified and the number of members working or living within the county in which the mailer is being delivered.

**Status: Senate Elections, Reapportionment & Constitutional Amendments Committee.**

***Staff Recommended Position: Support***

This measure provides clarity to the public as to the true identity of who is sending a slate mailer.

**SB 593 (Gaines)**

**Tahoe Regional Planning Agency**

This bill would require each of the California members of the Tahoe Regional Planning Agency, a bi-state agency, to comply with the Political Reform Act and file Statements of Economic Interests with the Commission.

**Status: Senate Elections, Reapportionment & Constitutional Amendments Committee.**

***Staff Recommended Position: Support***

This measure furthers the Act's efforts to reduce or eliminate conflicts of interest.

**SB 801 (Kehoe)**

**Statements of Economic Interests – Gubernatorial Appointees**

This bill would require persons appointed to a specific term on a state board, commission, or similar multimember body of the state by the Governor to file one original statement of economic interests with the respective board, commission, or body, which would be required to make and retain a copy and forward the original to the Commission, who would be the filing officer for those statements.

**Status: Senate Elections, Reapportionment & Constitutional Amendments Committee. Hearing is scheduled for April 5, 2011.**

***Staff Recommended Position: Support***

This measure attempts to increase the accessibility of certain Statements of Economic Interests. The current version of the bill indicates the original statement of economic interest should be filed with the Commission, who would then become the filing officer. However, legislative staff recently communicated the author's desire to reduce complexities in reporting and unnecessary burdens on the Commission. Amendments merely requiring a copy of a gubernatorial board or commission appointee's SEI be sent to the FPPC are underway.

**AB 71 (Huber)**

**Lobbying Interests**

This bill amends the Political Reform Act to require the Secretary of State, within 90 days following the end of each calendar quarter, to post on its website a list of all reported lobbying interests and a list of the bill numbers these interests lobbied for or against. **Status: Passed Assembly Elections and Redistricting Committee. Referred to Assembly Appropriations.**

***Staff Recommended Position: Neutral***

While this measure amends the Act, it does not directly affect the Commission.

**AB 447 (Huffman and Fletcher)**

**Comprehensive PRA Reform**

This bill in its current form states that it is the intent of the Legislature to enact legislation relating to the Political Reform Act. There is no substantive language yet.

**Status: Introduced.**

***Staff Recommended Position: Await language***

**AB 1021 (Gordon)**

**Ballot Pamphlet**

This bill would require, if a fiscal analysis by the Legislative Analyst determines that a measure would establish a new or expanded program costing more than \$1,000,000 per year without providing new revenues or eliminating existing programs to offset those costs, that specified language be included in the ballot pamphlet advising that the proposed measure does not include sufficient funding to pay the cost of the measure.

**Status: Assembly Elections and Redistricting Committee.**

***Staff Recommended Position: Neutral***

While this measure amends the Act, it does not directly affect the Commission.

**AB 1146 (Norby)**

**Cash Contributions and Expenditures**

This bill would increase the threshold for the prohibition on cash contributions and expenditures from \$100 to \$200. In addition, it increases the threshold for anonymous contributions from \$100 to \$200.

**Status: Assembly Elections and Redistricting Committee.**

***Staff Recommended Position: Oppose***

The Political Reform Act prohibits cash contributions or expenditures of \$100 and all contributions of more than \$100 to include identifying information. Increasing the threshold for anonymous contributions does not further the disclosure purposes of the Act.

**AB 1148 (Brownley)**

**Slate Mailers**

This bill would require a candidate or ballot measure appearing in a slate mailer be designated by an asterisk, if the slate mailer organization or committee primarily formed to support or oppose one or more ballot measures that sends the mailer, received a payment to include the candidate or ballot measure in the slate mailer.

**Status: Assembly Elections and Redistricting Committee.**

***Staff Recommended Position: Support***

This measure provides clarity to the public as to the true identity of who is paying for a slate mailer.

**AB 1241 (Norby)**

**Government Code Section 84308 – Definition of Officer**

This bill would exclude elected members of an agency from the definition of “officer” so that only appointed members would be subject to the provisions of Section 84308, which prohibits an officer of an agency from accepting a contribution of more than \$250 from specified individuals and entities. It is a reintroduction of AB 2164 (Norby) from the 2009-2010, Legislative session, which the Commission adopted a “neutral” position. AB 2164 passed out of the Assembly, but was held in the Senate Elections committee without recommendation.

**Status: Assembly Elections and Redistricting Committee.**

***Staff Recommended Position: Oppose***

This provision does not further the Act’s efforts to reduce or eliminate conflicts of interest.

**AB 1292 (Hernandez)**

**Posting Online Campaign Statements and Statements of Economic Interests**

This bill would require county elections officials to annually post campaign reports on the county’s website. In addition, city and county clerks would be required to annually post on the agency’s website all statements of economic interests.

**Status: Assembly Elections and Redistricting Committee.**

**Staff Recommended Position: Neutral**

While this measure amends the Act, it does not directly affect the Commission.

**AB 1413 (Assembly Elections Committee)**

**Campaign Statements**

This bill would require that if a candidate files a campaign statement that identifies a committee that has received contributions or made expenditures on behalf of his or her candidacy, the committee ID number must be included or, if no number has been assigned, the name and address of the committee's treasurer. The bill also deletes the requirement for Los Angeles, San Diego and San Francisco County offices to be open on the Saturday before a statewide election.

**Status: Assembly Elections and Redistricting Committee.**

**Staff Recommended Position: Support**

This measure furthers the Act's efforts to inform the public of who is financing campaigns.

**Current Legislation – Positions Approved by Commission**

**SB 50 (Correa)**

**Conflicts of Interest Disqualification – High Speed Rail Authority Members**

This bill would add members of the High Speed Rail Authority to the list of specified offices in Government Code Section 87200 who must publicly identify a financial interest giving rise to a conflict of interest or potential conflict of interest, and recuse themselves accordingly.

**Status: Senate Elections, Reapportionment & Constitutional Amendments Committee. Hearing is scheduled for April 5, 2011.**

**Commission Position: Support**

**AB 41 (Hill)**

**Conflicts of Interest Disqualification – High Speed Rail Authority Members**

In its current form, this bill language is identical to SB 50 (Correa), above. It would add members of the High Speed Rail Authority to the list of specified offices in Government Code Section 87200 who must publicly identify a financial interest giving rise to a conflict of interest or potential conflict of interest, and recuse themselves accordingly.

**Status: Passed Assembly Elections and Redistricting Committee. Referred to Assembly Appropriations.**

**Commission Position: Support**

**AB 65 (Gatto)**

**Ballot Pamphlet**

This bill was recently amended to require the Secretary of State to include in the statewide ballot pamphlet a list of the five highest contributors of \$50,000 or more to each primarily formed committee opposing each state measure, as well as the total amount of their contributions, in addition to the five highest contributors of \$50,000 or more supporting each state measure.

**Status: Passed Assembly Elections and Redistricting Committee. Referred to Assembly Appropriations.**

**Commission Position: Support**

**AB 182 (Davis)**

**Statements of Economic Interests – Electronic Filing**

Existing law provides that the ongoing pilot project for electronic filing of Statements of Economic Interests by specified local agencies shall be completed by January 1, 2012. This bill extends the project to continue until December 31, 2012. Assuming the pilot project is successful, the bill also permits all filing officers, as of January 1, 2013, to accept the electronic filing of Statements of Economic Interests.

**Status: Passed Assembly Elections and Redistricting Committee. Referred to Assembly**

**Appropriations.**

**Commission Position: Support**

**“Watch” Bill**

The following bill does not currently amend the Political Reform Act; however, it addresses areas of interest. Staff is not requesting the Commission adopt a position on the following bill at this time, but staff will continue to track the bill.

**SB 46 (Correa)**

**Disclosure of Local Government Compensation**

This bill was amended to require only public officials specified in Government Code Section 87200 to annually file a compensation disclosure form. The previous version required local officials who are required to file a Statement of Economic Interests to annually file a government compensation disclosure form. As an alternative, if a public agency maintains a website, it may compile the information for each of its officials and post the information on its website. The Controller’s office would be required to adopt regulations to implement the requirements, including the format of the compensation disclosure form. The filing deadline shall be the same as the deadline established for the annual Statements of Economic Interests.

**Status: Senate Governance and Finance Committee. Hearing is scheduled for April 6, 2011.**



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**To:** Chairwoman Ravel and Commissioners Eskovitz, Garrett, Montgomery, and Rotunda

**From:** Tara Stock, Legislative Coordinator

**Subject:** Update to Legislative Report dated March 31, 2011

**Date:** April 8, 2011

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Since the March 31, 2011, legislative report was issued, two of the bills included in the report, SB 46 (Correa) and AB 447 (Huffman and Fletcher), were amended to include substantive changes to the Act. SB 46 was listed as a “watch” bill and AB 447 was previously a “spot” bill. In addition, two bills that were not previously related to the Act have been amended to affect the Act -- AB 785 (Mendoza) and AB 860 (Jones and Mansoor). Summaries of the proposals are below.

**SB 46 (Correa)**

**Disclosure of Government Compensation**

This bill would require individuals who are required to file a Statement of Economic Interests to include, as part of that filing, a compensation disclosure form. The compensation disclosure form would require specified information related to government “compensation” received by that individual in the preceding calendar year. As an alternative, an agency may compile the specified information for each individual and post the information on its website.

**Status: Senate Governance and Finance Committee. Hearing is scheduled for April 27, 2011.**

**AB 447 (Huffman and Fletcher)**

**Comprehensive PRA Reform**

This comprehensive reform bill contains several changes to the Act. The vast majority of the proposals are a result of the Task Force recommendations. The proposals include, among others: 1) the development of a statewide electronic filing system, 2) requirement for committee treasurers to complete an online certification course, 3) quarterly filing of campaign statements, 3) requiring only one preelection statement instead of two, 4) eliminating certain special reports, 5) extending the late filing period from 16 days to 45 days, 6) setting limits for contributions and voluntary expenditure ceilings at current amounts and eliminating the biennial Consumer Price Index adjustment, and 7) setting the yearly gift limit at \$250 and eliminating the biennial Consumer Price Index adjustment.

**Status: Assembly Elections and Redistricting Committee.**

**AB 785 (Mendoza)**

**Conflicts of Interest**

This bill would provide, for purposes of conflicts of interest, that a public official who is an elected or appointed member of any state or local body, board, or commission has a financial interest in a decision

if an "immediate family member" has a financial interest in the decision. The bill defines "immediate family member" for purposes of this section as the public official's spouse or domestic partner, children, parents, siblings, and the spouse or domestic partner of a child, parent, or sibling.

**Status: Assembly Elections and Redistricting Committee. Hearing is scheduled for April 12, 2011.**

**AB 860 (Jones and Mansoor)**

**Corporation and Union Influence Reduction Act**

This bill would prohibit: 1) corporations and labor unions from making contributions to candidates for elective office or to committees or other entities that would use the contributions to fund a candidate or candidate-controlled committee; 2) a government contractor from making a contribution to an elected officer if the officer is in a position to award a government contract to such contractor; and, 3) a corporation, labor union, government contractor, or government employer from deducting from an employee's compensation money to be used for political purposes.

**Status: Assembly Elections and Redistricting.**