

AMENDED IN SENATE JUNE 25, 2012

AMENDED IN ASSEMBLY APRIL 5, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 481

**Introduced by Assembly Member Gordon
(~~Coauthor: Assembly Member Hueso~~)**

February 15, 2011

An act to amend ~~Section 101 of, and to add Sections 101.5, 101.6, 336.7, and 357.5 to Sections 82036, 82036.5, 84102, 84104, 84204, 84213, and 84506 of, and to amend, renumber, and add Section 82047.6 of, the Elections Government Code, relating to elections~~ *the Political Reform Act of 1974.*

LEGISLATIVE COUNSEL'S DIGEST

AB 481, as amended, Gordon. ~~Petitions: signature gatherers.~~ *Political Reform Act of 1974: campaign disclosure.*

Existing law, the Political Reform Act of 1974, provides for the comprehensive regulation of campaign financing, including requiring the reporting of campaign contributions and expenditures and imposing other reporting and recordkeeping requirements on campaign committees.

This bill would require each campaign committee to identify its principal officer or officers, as defined, and would require each principal officer to maintain the committee's accounts and records. In addition, the bill would require a committee's principal officer, in the event the committee files a statement or report disclosing an independent expenditure, to sign a verification verifying that the independent expenditure has not been reimbursed or coordinated with the candidate

or the proponent of the state measure that is the subject of the expenditure.

The Political Reform Act of 1974 defines “late contribution” and “late independent expenditure” as any contribution or independent expenditure totaling in the aggregate \$1,000 or more that is made for or against any specific candidate, committee, or measure involved in an election that is made or received before the date of the election but after the closing date of the last campaign statement required to be filed prior to the election.

This bill would instead define “late contribution” and “late independent expenditure” to mean a contribution or independent expenditure made within 90 days before the date of the election at which the candidate or measure is to be voted on. In addition, this bill would require that a report of a late independent expenditure also disclose the cumulative total the committee has expended for independent expenditures relating to the candidate or measure.

The Political Reform Act of 1974 requires that broadcast and mass mailing advertisements supporting or opposing candidates or ballot measures include disclosure statements that reflect specified information.

This bill would require any advertisement supporting or opposing candidates or ballot measures to include such disclosure statements.

Existing law makes a knowing or willful violation of the Political Reform Act of 1974 a misdemeanor and subjects offenders to criminal penalties.

This bill would impose a state-mandated local program by creating additional crimes.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act’s purposes upon a ²/₃ vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

~~Under existing law, an initiative petition must contain specified language advising the public of its right to ask whether the person circulating the petition is a paid signature gatherer or a volunteer.~~

~~This bill instead would require an initiative, referendum, or recall petition to reflect, in specified language, whether it is being circulated by a paid circulator or by a volunteer.~~

~~This bill would also require an individual who circulates an initiative, referendum, or recall petition to wear a badge stating, in no smaller than 30-point type, that he or she is either a “paid” signature gatherer or “volunteer” signature gatherer. The bill would require the individual circulating the initiative, referendum, or recall petition to wear the badge on his or her chest in clear view of all individuals signing or asked to sign the petition.~~

~~This bill would also define the terms “paid circulator,” “paid signature gatherer,” “volunteer,” and “volunteer signature gatherer” for these purposes.~~

~~Vote: majority ²/₃. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: ~~no~~ yes.~~

The people of the State of California do enact as follows:

1 SECTION 1. Section 82036 of the Government Code is
2 amended to read:

3 82036. “Late contribution” means any of the following:

4 (a) ~~Any~~A contribution, including a loan, that totals in the
5 aggregate one thousand dollars (\$1,000) or more and is made to
6 or received by a candidate, a controlled committee, or a committee
7 formed or existing primarily to support or oppose a candidate or
8 measure *within 90 days* before the date of the election at which
9 the candidate or measure is to be voted on ~~but after the closing~~
10 ~~date of the last campaign statement required to be filed before the~~
11 ~~election.~~ For purposes of the Board of Administration of the Public
12 Employees’ Retirement System and the Teachers’ Retirement
13 Board, “the date of the election” is the deadline to return ballots.

14 (b) ~~Any~~A contribution, including a loan, that totals in the
15 aggregate one thousand dollars (\$1,000) or more and is made to
16 or received by a political party committee, as defined in Section
17 85205, *within 90 days* before the date of ~~any a~~ state election ~~but~~
18 ~~after the closing date of the last campaign statement required to~~
19 ~~be filed before the election.~~

1 *SEC. 2. Section 82036.5 of the Government Code is amended*
2 *to read:*

3 82036.5. “Late independent expenditure” means ~~any~~ *an*
4 independent expenditure that totals in the aggregate one thousand
5 dollars (\$1,000) or more and is made for or against ~~any~~ *a* specific
6 candidate or measure involved in an election *within 90 days* before
7 the date of the election ~~but after the closing date of the last~~
8 ~~campaign statement required to be filed prior to the election by a~~
9 ~~candidate or committee participating in the election.~~ For purposes
10 of the Board of Administration of the Public Employees’
11 Retirement System and the Teachers’ Retirement Board, “the date
12 of the election” is the deadline to return ballots.

13 *SEC. 3. Section 82047.6 of the Government Code is amended*
14 *and renumbered to read:*

15 ~~82047.6.~~

16 82047.7 “Proponent of a state ballot measure” means
17 “proponent” as defined in Section 9002 of the Elections Code.

18 *SEC. 4. Section 82047.6 is added to the Government Code, to*
19 *read:*

20 82047.6. (a) “Principal officer” means the individual primarily
21 responsible for approving the political activities of a committee,
22 including, but not limited to, the following activities:

23 (1) Authorizing the content of communications made by the
24 committee.

25 (2) Authorizing expenditures, including contributions, on behalf
26 of the committee.

27 (3) Determining the committee’s campaign strategy.

28 (b) If two or more individuals share the primary responsibility
29 for approving the political activities of a committee, each individual
30 is a principal officer.

31 *SEC. 5. Section 84102 of the Government Code is amended to*
32 *read:*

33 84102. The statement of organization required by Section
34 84101 shall include *all of the following*:

35 (a) The name, street address, and telephone number, if any, of
36 the committee. In the case of a sponsored committee, the name of
37 the committee shall include the name of its sponsor. Whenever a
38 committee has more than one sponsor, and the sponsors are
39 members of an industry or other identifiable group, a term

1 identifying that industry or group shall be included in the name of
2 the committee.

3 (b) In the case of a sponsored committee, the name, street
4 address, and telephone number of each sponsor.

5 (c) The full name, street address, and telephone number, if any,
6 of the treasurer and *any* other principal officers. *A committee with*
7 *more than one principal officer shall identify its principal officers*
8 *as follows:*

9 (1) *A committee with three or fewer principal officers shall*
10 *identify all principal officers.*

11 (2) *A committee with more than three principal officers shall*
12 *identify no fewer than three principal officers.*

13 *If no individual other than the treasurer is a principal officer,*
14 *the treasurer shall be identified as both the treasurer and the*
15 *principal officer.*

16 (d) The full name and office sought by any candidate, and the
17 title and ballot number, if any, of any measure, ~~which~~ *that* the
18 committee supports or opposes as its primary activity. A committee
19 ~~which~~ *that* does not support or oppose one or more candidates or
20 ballot measures as its primary activity shall provide a brief
21 description of its political activities, including whether it supports
22 or opposes candidates or measures and whether such candidates
23 or measures have common characteristics, such as a political party
24 affiliation.

25 (e) A statement whether the committee is independent or
26 controlled; and, if it is controlled, the name of each candidate; or
27 state measure proponent by which it is controlled, or the name of
28 any controlled committee with which it acts jointly. If a committee
29 is controlled by a candidate for partisan office, the controlled
30 committee shall indicate the political party, if any, with which the
31 candidate is affiliated.

32 (f) For a committee ~~controlled by a candidate for his or her~~
33 ~~election~~ *that is a committee by virtue of subdivision (a) or (b) of*
34 *Section 82013*, the name and address of the financial institution
35 where the committee has established an account and the account
36 number.

37 (g) Such other information as shall be required by the rules or
38 regulations of the ~~commission~~ *Commission* consistent with the
39 purposes and provisions of this chapter.

1 *SEC. 6. Section 84104 of the Government Code is amended to*
2 *read:*

3 84104. It shall be the duty of each candidate, treasurer,
4 *principal officer*, and elected officer to maintain detailed accounts,
5 records, bills, and receipts necessary to prepare campaign
6 statements, to establish that campaign statements were properly
7 filed, and to otherwise comply with the provisions of this chapter.
8 The detailed accounts, records, bills, and receipts shall be retained
9 by the filer for a period specified by the ~~commission~~ *Commission*.
10 However, the ~~commission~~ *Commission* shall not require retention
11 of records for a period longer than the statute of limitations
12 specified in Section 91000.5 or two years after the adoption of an
13 audit report pursuant to Chapter 10 (commencing with Section
14 90000), whichever is less.

15 *SEC. 7. Section 84204 of the Government Code is amended to*
16 *read:*

17 84204. (a) A committee that makes a late independent
18 expenditure, as defined in Section 82036.5, shall report the late
19 independent expenditure by facsimile transmission, guaranteed
20 overnight delivery, or personal delivery within 24 hours of the
21 time it is made. If a late independent expenditure is required to be
22 reported to the Secretary of State, the report to the Secretary of
23 State shall be by online or electronic transmission only. A late
24 independent expenditure shall be reported on subsequent campaign
25 statements without regard to reports filed pursuant to this section.

26 (b) A committee that makes a late independent expenditure shall
27 report its full name and street address, as well as the name, office,
28 and district of the candidate if the report is related to a candidate,
29 or if the report is related to a measure, the number or letter of the
30 measure, the jurisdiction in which the measure is to be voted upon,
31 and the amount and the date, as well as a description of goods or
32 services for which the late independent expenditure was made,
33 *and the cumulative total the committee has expended for*
34 *independent expenditures relating to the candidate or measure.*
35 In addition to the information required by this subdivision, a
36 committee that makes a late independent expenditure shall include
37 with its late independent expenditure report the information
38 required by paragraphs (1) to (5), inclusive, of subdivision (f) of
39 Section 84211, covering the period from the day after the closing
40 date of the last campaign report filed to the date of the late

1 independent expenditure, or if the committee has not previously
2 filed a campaign statement, covering the period from the previous
3 January 1 to the date of the late independent expenditure. No
4 information required by paragraphs (1) to (5), inclusive, of
5 subdivision (f) of Section 84211 that is required to be reported
6 with a late independent expenditure report by this subdivision is
7 required to be reported on more than one late independent
8 expenditure report.

9 (c) A committee that makes a late independent expenditure shall
10 file a late independent expenditure report in the places where it
11 would be required to file campaign statements under this article
12 as if it were formed or existing primarily to support or oppose the
13 candidate or measure for or against which it is making the late
14 independent expenditure.

15 (d) A report filed pursuant to this section shall be in addition to
16 any other campaign statement required to be filed by this article.

17 (e) Expenditures that have been disclosed by candidates and
18 committees pursuant to Section 85500 are not required to be
19 disclosed pursuant to this section.

20 *SEC. 8. Section 84213 of the Government Code is amended to*
21 *read:*

22 84213. (a) A candidate and state measure proponent shall
23 verify his or her campaign statement and the campaign statement
24 of each committee subject to his or her control. The verification
25 shall be in accordance with the provisions of Section 81004 except
26 that it shall state that to the best of his or her knowledge the
27 treasurer of each controlled committee used all reasonable diligence
28 in the preparation of the committee's statement. This section does
29 not relieve the treasurer of any committee from the obligation to
30 verify each campaign statement filed by the committee pursuant
31 to Section 81004.

32 (b) *If a committee is required to file a campaign statement or*
33 *report disclosing an independent expenditure pursuant to this title,*
34 *a principal officer of the committee or, in the case of a controlled*
35 *committee, the candidate or state measure proponent who controls*
36 *the committee shall sign a verification on the campaign statement*
37 *or report that reads as follows:*

38 *I have not received any unreported money or reimbursement to*
39 *make these independent expenditures. I have not coordinated any*
40 *expenditure made during this reporting period with the candidate*

1 *who is the subject of the expenditure, with the proponent of the*
2 *state measure that is the subject of the expenditure, or with the*
3 *agents of the candidate or state measure proponent.*

4 *SEC. 9. Section 84506 of the Government Code is amended to*
5 *read:*

6 84506. (a) ~~A broadcast or mass mailing~~ *An advertisement*
7 *supporting or opposing a candidate or ballot measure, that is paid*
8 *for by an independent expenditure, shall include a disclosure*
9 *statement that identifies both of the following:*

10 (1) *The name of the committee making the independent*
11 *expenditure.*

12 (2) *The names of the persons from whom the committee making*
13 *the independent expenditure has received its two highest*
14 *cumulative contributions of fifty thousand dollars (\$50,000) or*
15 *more during the 12-month period prior to the expenditure. If the*
16 *committee can show, on the basis that contributions are spent in*
17 *the order they are received, that contributions received from the*
18 *two highest contributors have been used for expenditures unrelated*
19 *to the candidate or ballot measure featured in the communication,*
20 *the committee shall disclose the contributors making the next*
21 *largest cumulative contributions of fifty thousand dollars (\$50,000)*
22 *or more.*

23 (b) *If an acronym is used to identify any committee names*
24 *required by this section, the names of any sponsoring organization*
25 *of the committee shall be printed on print advertisements or spoken*
26 *in broadcast advertisements.*

27 *SEC. 10. No reimbursement is required by this act pursuant*
28 *to Section 6 of Article XIII B of the California Constitution because*
29 *the only costs that may be incurred by a local agency or school*
30 *district will be incurred because this act creates a new crime or*
31 *infraction, eliminates a crime or infraction, or changes the penalty*
32 *for a crime or infraction, within the meaning of Section 17556 of*
33 *the Government Code, or changes the definition of a crime within*
34 *the meaning of Section 6 of Article XIII B of the California*
35 *Constitution.*

36 *SEC. 11. The Legislature finds and declares that this bill*
37 *furtheres the purposes of the Political Reform Act of 1974 within*
38 *the meaning of subdivision (a) of Section 81012 of the Government*
39 *Code.*

1 SECTION 1. Section 101 of the Elections Code is amended to
2 read:

3 101. Notwithstanding any other provision of law, any state or
4 local initiative, referendum, or recall petition required to be signed
5 by voters shall contain in 12-point type, prior to that portion of the
6 petition for voters' signatures, printed names, and residence
7 addresses, the following language:

8 (a) If the petition is circulated by a paid circulator, the phrase
9 "PAID CIRCULATOR" shall appear in 24-point type above the
10 following language which shall appear in 12-point type:

11 "NOTICE TO THE PUBLIC

12 -

13
14 THIS PETITION IS BEING CIRCULATED BY A PERSON
15 WHO IS BEING PAID TO COLLECT SIGNATURES."

16 -

17 (b) If the petition is being circulated by a volunteer, the phrase
18 "VOLUNTEER CIRCULATOR" shall appear in 24-point type
19 above the following language which shall appear in 12-point type:

20
21 "NOTICE TO THE PUBLIC

22 -

23
24 THIS PETITION IS BEING CIRCULATED BY A
25 VOLUNTEER."

26 -

27 SEC. 2. Section 101.5 is added to the Elections Code, to read:

28 101.5. (a) An individual who receives compensation to
29 circulate an initiative, referendum, or recall petition shall identify
30 himself or herself as a paid signature gatherer by wearing a badge
31 stating "PAID SIGNATURE GATHERER."

32 (b) The individual circulating an initiative, referendum, or recall
33 petition shall wear the badge required by subdivision (a) on his or
34 her chest in clear view of all individuals signing or asked to sign
35 the petition.

36 (c) The print on the badge shall be no smaller than 30-point
37 type.

38 SEC. 3. Section 101.6 is added to the Elections Code, to read:

39 101.6. (a) An individual who does not receive compensation
40 to circulate an initiative, referendum, or recall petition shall identify

1 himself or herself as a volunteer signature gatherer by wearing a
2 badge stating: “VOLUNTEER SIGNATURE GATHERER.”

3 (b) ~~The individual circulating and initiative, referendum, or~~
4 ~~recall petition shall wear the badge required by subdivision (a) on~~
5 ~~his or her chest in clear view of all individuals signing or asked to~~
6 ~~sign the petition.~~

7 (c) ~~The print on the badge shall be no smaller than 30-point~~
8 ~~type.~~

9 SEC. 4. ~~Section 336.7 is added to the Elections Code, to read:~~

10 336.7. ~~“Paid circulator” or “paid signature gatherer,” for the~~
11 ~~purpose of circulating an initiative, referendum, or recall petition,~~
12 ~~means any person who is compensated in any manner for collecting~~
13 ~~petition signatures to qualify a state or local initiative, referendum,~~
14 ~~or recall measure.~~

15 SEC. 5. ~~Section 357.5 is added to the Elections Code, to read:~~

16 357.5. ~~“Volunteer” or “volunteer signature gatherer,” for the~~
17 ~~purpose of circulating an initiative, referendum, or recall petition,~~
18 ~~means a person who is not a paid circulator.~~