

AMENDED IN ASSEMBLY APRIL 25, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1146**

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**Introduced by Assembly Member Norby**

February 18, 2011

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An act to amend Sections ~~84300~~ 84203.5, 84211, 84300, and 84304 of the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

AB 1146, as amended, Norby. Political Reform Act of 1974: contribution limits.

Existing law, *the Political Reform Act of 1974*, prohibits ~~cash contributions or~~ anonymous campaign contributions of \$100 or more to a candidate, committee, or other person in a calendar year. Existing law also ~~prohibits cash campaign expenditures~~ *requires that the value of all in-kind contributions of \$100 or more be reported in writing to the recipient upon the recipient's written request. Existing law further requires that detailed specified information be reported for each person to whom independent expenditures are made, or from whom contributions are received, totalling \$100 or more during a reporting period.*

This bill would find that the current limit of \$100 was established more than 30 years ago and would raise the ~~minimum campaign contribution and expenditure reporting~~ *limit for anonymous contributions and the threshold for reporting as to contributions and independent expenditures to \$200 to align it with the limit applicable under federal law to campaign disclosures.*

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.

Vote: 2/3. Appropriation: no. Fiscal committee: no.

State-mandated local program: no.

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

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (A) Under the Federal Election Campaign Act (U.S.C. Sec. 431  
4 et seq.), political committees for federal campaigns must disclose  
5 contributions having an aggregate amount, in a calendar year, of  
6 two hundred dollars (\$200).

7 (B) The current one hundred dollar (\$100) limit for ~~cash or~~  
8 anonymous contributions for California campaigns under the  
9 Political Reform Act of 1974 was established more than 30 years  
10 ago.

11 (C) An increase in the limit for ~~cash or~~ anonymous contributions  
12 under the Political Reform Act of 1974 is necessary to maintain  
13 the limit at a level consistent with that set at the time the act was  
14 enacted.

15 SEC. 2. Section 84203.5 of the Government Code is amended  
16 to read:

17 84203.5. (a) In addition to any campaign statements required  
18 by this article, if a candidate or committee has made independent  
19 expenditures totaling one thousand dollars (\$1,000) or more in a  
20 calendar year to support or oppose a candidate, a measure, or  
21 qualification of a measure, it shall file independent expenditure  
22 reports at the same time, covering the same periods, and in the  
23 places where the candidate or committee would be required to file  
24 campaign statements under this article, as if it were formed or  
25 existing primarily to support or oppose the candidate or measure  
26 or qualification of the measure. No independent expenditure report  
27 need be filed to cover a period for which there has been no activity  
28 to report.

29 (b) An independent expenditure report shall contain the  
30 following information:

31 (1) The name, street address, and telephone number of the  
32 candidate or committee making the expenditure and of the

1 committee's treasurer, and the number assigned to the committee  
2 by the Secretary of State.

3 (2) If the report is related to a candidate, the full name of the  
4 candidate and the office and district for which the candidate seeks  
5 nomination or election. If the report is related to a measure or  
6 qualification of a measure, the number or letter of the measure, or  
7 if none has yet been assigned, a brief description of the subject  
8 matter of the measure, and the jurisdiction in which the measure  
9 is to be voted on or would be voted on if it qualified.

10 (3) The total amount of expenditures related to the candidate or  
11 measure during the period covered by the report made to persons  
12 who have received less than ~~one~~ *two* hundred dollars ~~(\$100)~~ *(\$200)*.

13 (4) The total amount of expenditures related to the candidate or  
14 measure during the period covered by the report made to persons  
15 who have received ~~one~~ *two* hundred dollars ~~(\$100)~~ *(\$200)* or more.

16 (5) For each person to whom an expenditure of ~~one~~ *two* hundred  
17 dollars ~~(\$100)~~ *(\$200)* or more related to the candidate or measure  
18 has been made during the period covered by the report and for  
19 each person who has provided consideration for an expenditure of  
20 ~~one~~ *two* hundred dollars ~~(\$100)~~ *(\$200)* or more during the period  
21 covered by the report:

22 (A) His or her full name.

23 (B) His or her street address.

24 (C) If the person is a committee, the name of the committee,  
25 the number assigned to the committee by the Secretary of State,  
26 or if no number has been assigned, the full name and street address  
27 of the treasurer of the committee.

28 (D) The date of the expenditure.

29 (E) The amount of the expenditure.

30 (F) A brief description of the consideration for which each  
31 expenditure was made and the value of the consideration if less  
32 than the total amount of the expenditure.

33 (G) The cumulative amount of expenditures to such person.

34 (6) A list of all the filing officers with whom the committee  
35 filed its most recent campaign statement.

36 (c) Filing officers shall maintain paper reports filed pursuant to  
37 this section under the name of the candidate or measure supported  
38 or opposed by the independent expenditure.

39 *SEC. 3. Section 84211 of the Government Code is amended to*  
40 *read:*

1 84211. Each campaign statement required by this article shall  
2 contain all of the following information:

3 (a) The total amount of contributions received during the period  
4 covered by the campaign statement and the total cumulative amount  
5 of contributions received.

6 (b) The total amount of expenditures made during the period  
7 covered by the campaign statement and the total cumulative amount  
8 of expenditures made.

9 (c) The total amount of contributions received during the period  
10 covered by the campaign statement from persons who have given  
11 a cumulative amount of ~~one~~ *two* hundred dollars ~~(\$100)~~ *(\$200)* or  
12 more.

13 (d) The total amount of contributions received during the period  
14 covered by the campaign statement from persons who have given  
15 a cumulative amount of less than ~~one~~ *two* hundred dollars ~~(\$100)~~  
16 *(\$200)*.

17 (e) The balance of cash and cash equivalents on hand at the  
18 beginning and the end of the period covered by the campaign  
19 statement.

20 (f) If the cumulative amount of contributions (including loans)  
21 received from a person is ~~one~~ *two* hundred dollars ~~(\$100)~~ *(\$200)*  
22 or more and a contribution or loan has been received from that  
23 person during the period covered by the campaign statement, all  
24 of the following:

- 25 (1) His or her full name.
- 26 (2) His or her street address.
- 27 (3) His or her occupation.
- 28 (4) The name of his or her employer, or if self-employed, the  
29 name of the business.
- 30 (5) The date and amount received for each contribution received  
31 during the period covered by the campaign statement and if the  
32 contribution is a loan, the interest rate for the loan.

33 (6) The cumulative amount of contributions.

34 (g) If the cumulative amount of loans received from or made to  
35 a person is ~~one~~ *two* hundred dollars ~~(\$100)~~ *(\$200)* or more, and a  
36 loan has been received from or made to a person during the period  
37 covered by the campaign statement, or is outstanding during the  
38 period covered by the campaign statement, all of the following:

- 39 (1) His or her full name.
- 40 (2) His or her street address.

- 1 (3) His or her occupation.
- 2 (4) The name of his or her employer, or if self-employed, the  
3 name of the business.
- 4 (5) The original date and amount of each loan.
- 5 (6) The due date and interest rate of the loan.
- 6 (7) The cumulative payment made or received to date at the end  
7 of the reporting period.
- 8 (8) The balance outstanding at the end of the reporting period.
- 9 (9) The cumulative amount of contributions.
- 10 (h) For each person, other than the filer, who is directly,  
11 indirectly, or contingently liable for repayment of a loan received  
12 or outstanding during the period covered by the campaign  
13 statement, all of the following:
  - 14 (1) His or her full name.
  - 15 (2) His or her street address.
  - 16 (3) His or her occupation.
  - 17 (4) The name of his or her employer, or if self-employed, the  
18 name of the business.
  - 19 (5) The amount of his or her maximum liability outstanding.
- 20 (i) The total amount of expenditures made during the period  
21 covered by the campaign statement to persons who have received  
22 ~~one~~ *two* hundred dollars ~~(\$100)~~ *(\$200)* or more.
- 23 (j) The total amount of expenditures made during the period  
24 covered by the campaign statement to persons who have received  
25 less than ~~one~~ *two* hundred dollars ~~(\$100)~~ *(\$200)*.
- 26 (k) For each person to whom an expenditure of ~~one~~ *two* hundred  
27 dollars ~~(\$100)~~ *(\$200)* or more has been made during the period  
28 covered by the campaign statement, all of the following:
  - 29 (1) His or her full name.
  - 30 (2) His or her street address.
  - 31 (3) The amount of each expenditure.
  - 32 (4) A brief description of the consideration for which each  
33 expenditure was made.
  - 34 (5) In the case of an expenditure which is a contribution to a  
35 candidate, elected officer, or committee or an independent  
36 expenditure to support or oppose a candidate or measure, in  
37 addition to the information required in paragraphs (1) to (4) ~~above~~,  
38 *inclusive*, the date of the contribution or independent expenditure,  
39 the cumulative amount of contributions made to a candidate,  
40 elected officer, or committee, or the cumulative amount of

1 independent expenditures made relative to a candidate or measure;  
2 the full name of the candidate, and the office and district for which  
3 he or she seeks nomination or election, or the number or letter of  
4 the measure; and the jurisdiction in which the measure or candidate  
5 is voted upon.

6 (6) The information required in paragraphs (1) to (4), inclusive,  
7 for each person, if different from the payee, who has provided  
8 consideration for an expenditure of five hundred dollars (\$500) or  
9 more during the period covered by the campaign statement.

10 For purposes of subdivisions (i), (j), and (k) only, the terms  
11 “expenditure” or “expenditures” mean any individual payment or  
12 accrued expense, unless it is clear from surrounding circumstances  
13 that a series of payments or accrued expenses are for a single  
14 service or product.

15 (l) In the case of a controlled committee, an official committee  
16 of a political party, or an organization formed or existing primarily  
17 for political purposes, the amount and source of any miscellaneous  
18 receipt.

19 (m) If a committee is listed pursuant to subdivision (f), (g), (h),  
20 (k), (l), or (q), the number assigned to the committee by the  
21 Secretary of State shall be listed, or if no number has been assigned,  
22 the full name and street address of the treasurer of the committee.

23 (n) In a campaign statement filed by a candidate who is a  
24 candidate in both a state primary and general election, his or her  
25 controlled committee, or a committee primarily formed to support  
26 or oppose such a candidate, the total amount of contributions  
27 received and the total amount of expenditures made for the period  
28 January 1 ~~through~~ to June 30, *inclusive*, and the total amount of  
29 contributions received and expenditures made for the period July  
30 1 ~~through~~ to December 31, *inclusive*.

31 (o) The full name, residential or business address, and telephone  
32 number of the filer, or in the case of a campaign statement filed  
33 by a committee defined by subdivision (a) of Section 82013, the  
34 name, street address, and telephone number of the committee and  
35 of the committee treasurer. In the case of a committee defined by  
36 subdivision (b) or (c) of Section 82013, the name that the filer uses  
37 on campaign statements shall be the name by which the filer is  
38 identified for other legal purposes or any name by which the filer  
39 is commonly known to the public.

1 (p) If the campaign statement is filed by a candidate, the name,  
2 street address, and treasurer of any committee of which he or she  
3 has knowledge which has received contributions or made  
4 expenditures on behalf of his or her candidacy and whether the  
5 committee is controlled by the candidate.

6 (q) A contribution need not be reported nor shall it be deemed  
7 accepted if it is not cashed, negotiated, or deposited and is returned  
8 to the contributor before the closing date of the campaign statement  
9 on which the contribution would otherwise be reported.

10 (r) If a committee primarily formed for the qualification or  
11 support of, or opposition to, an initiative or ballot measure is  
12 required to report an expenditure to a business entity pursuant to  
13 subdivision (k) and 50 percent or more of the business entity is  
14 owned by a candidate or person controlling the committee, by an  
15 officer or employee of the committee, or by a spouse of any of  
16 these individuals, the committee's campaign statement shall also  
17 contain, in addition to the information required by subdivision (k),  
18 that person's name, the relationship of that person to the committee,  
19 and a description of that person's ownership interest or position  
20 with the business entity.

21 (s) If a committee primarily formed for the qualification or  
22 support of, or opposition to, an initiative or ballot measure is  
23 required to report an expenditure to a business entity pursuant to  
24 subdivision (k), and a candidate or person controlling the  
25 committee, an officer or employee of the committee, or a spouse  
26 of any of these individuals is an officer, partner, consultant, or  
27 employee of the business entity, the committee's campaign  
28 statement shall also contain, in addition to the information required  
29 by subdivision (k), that person's name, the relationship of that  
30 person to the committee, and a description of that person's  
31 ownership interest or position with the business entity.

32 (t) If the campaign statement is filed by a committee, as defined  
33 in subdivision (b) or (c) of Section 82013, information sufficient  
34 to identify the nature and interests of the filer, including:

35 (1) If the filer is an individual, the name and address of the  
36 filer's employer, if any, or his or her principal place of business  
37 if the filer is self-employed, and a description of the business  
38 activity in which the filer or his or her employer is engaged.

39 (2) If the filer is a business entity, a description of the business  
40 activity in which it is engaged.

1 (3) If the filer is an industry, trade, or professional association,  
 2 a description of the industry, trade, or profession which it  
 3 represents, including a specific description of any portion or faction  
 4 of the industry, trade, or profession which the association  
 5 exclusively or primarily represents.

6 (4) If the filer is not an individual, business entity, or industry,  
 7 trade, or professional association, a statement of the person’s nature  
 8 and purposes, including a description of any industry, trade,  
 9 profession, or other group with a common economic interest which  
 10 the person principally represents or from which its membership  
 11 or financial support is principally derived.

12 ~~SEC. 2.~~

13 SEC. 4. Section 84300 of the Government Code is amended  
 14 to read:

15 84300. (a) No contribution of ~~two~~ *one* hundred dollars ~~(\$200)~~  
 16 ~~(\$100)~~ or more shall be made or received in cash.

17 A cash contribution shall not be deemed received if it is not  
 18 negotiated or deposited and is returned to the contributor before  
 19 the closing date of the campaign statement on which the  
 20 contribution would otherwise be reported. If a cash contribution,  
 21 other than a late contribution, as defined in Section 82036, is  
 22 negotiated or deposited, it shall not be deemed received if it is  
 23 refunded within 72 hours of receipt. In the case of a late  
 24 contribution, as defined in Section 82036, it shall not be deemed  
 25 received if it is returned to the contributor within 48 hours of  
 26 receipt.

27 (b) No expenditure of ~~two~~ *one* hundred dollars ~~(\$200)~~ ~~(\$100)~~  
 28 or more shall be made in cash.

29 (c) No contribution of ~~two~~ *one* hundred dollars ~~(\$200)~~ ~~(\$100)~~  
 30 or more other than an in-kind contribution shall be made unless  
 31 in the form of a written instrument containing the name of the  
 32 donor and the name of the payee and drawn from the account of  
 33 the donor or the intermediary, as defined in Section 84302.

34 (d) The value of all in-kind contributions of two hundred dollars  
 35 (\$200) or more shall be reported in writing to the recipient upon  
 36 the request in writing of the recipient.

37 ~~SEC. 3.~~

38 SEC. 5. Section 84304 of the Government Code is amended  
 39 to read:

1 84304. No person shall make an anonymous contribution or  
2 contributions to a candidate, committee, or any other person  
3 totaling two hundred dollars (\$200) or more in a calendar year.  
4 An anonymous contribution of two hundred dollars (\$200) or more  
5 shall not be kept by the intended recipient but instead shall be  
6 promptly paid to the Secretary of State for deposit in the General  
7 Fund of the state.

8 ~~SEC. 4.~~

9 *SEC. 6.* The Legislature finds and declares that this bill furthers  
10 the purposes of the Political Reform Act of 1974 within the  
11 meaning of subdivision (a) of Section 81012 of the Government  
12 Code.

O