

**Assembly Bill No. 2691**

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Passed the Assembly May 10, 2012

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*Chief Clerk of the Assembly*

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Passed the Senate August 29, 2012

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2012, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Section 84602 of, and to repeal Sections 84604, 84609, and 84610 of, the Government Code, relating to the Political Reform Act of 1974.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2691, Committee on Elections and Redistricting. Political Reform Act of 1974: online and electronic filing.

The Political Reform Act of 1974 requires the Secretary of State, in consultation with the Fair Political Practices Commission, to develop an online and electronic filing system to be used by certain entities, including specified candidates, general purpose committees, slate mailer organizations, and lobbyists, lobbying firms, and lobbyist employers, in filing statements and reports required under the act. The act imposes certain online or electronic disclosure requirements that are specific to the 1998 statewide general election and the 2000 statewide primary election. The act also appropriates to the Secretary of State the sum of \$1,100,000 for the purpose of developing online or electronic disclosure systems, effective September 16, 1999. Under existing law, an appropriation is available to be encumbered for 3 years after the date upon which it first became available for encumbrance.

This bill would repeal the provisions relating to online or electronic disclosure requirements specific to the 1998 statewide general election and the 2000 statewide primary election. The bill would also repeal the provision making a \$1,100,000 appropriation to the Secretary of State, which has been available for encumbrance for more than 3 years.

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  $\frac{2}{3}$  vote of each house and compliance with specified procedural requirements.

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

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

SECTION 1. Section 84602 of the Government Code is amended to read:

84602. To implement the Legislature's intent, the Secretary of State, in consultation with the Commission, notwithstanding any other provision of this code, shall do all of the following:

(a) Develop online and electronic filing processes for use by persons and entities specified in Section 84605 that are required to file statements and reports with the Secretary of State's office pursuant to Chapter 4 (commencing with Section 84100) and Chapter 6 (commencing with Section 86100). Those processes shall each enable a user to comply with all the disclosure requirements of this title and shall include, at a minimum, the following:

(1) A means or method whereby filers subject to this chapter may submit required filings free of charge. Any means or method developed pursuant to this provision shall not provide any additional or enhanced functions or services that exceed the minimum requirements necessary to fulfill the disclosure provisions of this title. At least one means or method shall be made available no later than December 31, 2002.

(2) The definition of a nonproprietary standardized record format or formats using industry standards for the transmission of the data that is required of those persons and entities specified Section 84605 and that conforms with the disclosure requirements of this title. The Secretary of State shall hold public hearings prior to development of the record format or formats as a means to ensure that affected entities have an opportunity to provide input into the development process. The format or formats shall be made public no later than July 1, 1999, to ensure sufficient time to comply with this chapter.

(b) Accept test files from software vendors and others wishing to file reports electronically, for the purpose of determining whether the file format is in compliance with the standardized record format developed pursuant to subdivision (a) and is compatible with the Secretary of State's system for receiving the data. A list of the software and service providers who have submitted acceptable test files shall be published by the Secretary of State and made available

to the public. Acceptably formatted files shall be submitted by a filer in order to meet the requirements of this chapter.

(c) Develop a system that provides for the online or electronic transfer of the data specified in this section utilizing telecommunications technology that assures the integrity of the data transmitted and that creates safeguards against efforts to tamper with or subvert the data.

(d) Make all the data filed available on the Internet in an easily understood format that provides the greatest public access. The data shall be made available free of charge and as soon as possible after receipt. All late contribution and late independent expenditure reports, as defined by Sections 84203 and 84204, respectively, shall be made available on the Internet within 24 hours of receipt. The data made available on the Internet shall not contain the street name and building number of the persons or entity representatives listed on the electronically filed forms or any bank account number required to be disclosed pursuant to this title.

(e) Develop a procedure for filers to comply with the requirement that they sign under penalty of perjury pursuant to Section 81004.

(f) Maintain all filed data online for 10 years after the date it is filed, and then archive the information in a secure format.

(g) Provide assistance to those seeking public access to the information.

(h) Implement sufficient technology to seek to prevent unauthorized alteration or manipulation of the data.

(i) Provide the Commission with necessary information to enable it to assist agencies, public officials, and others with the compliance with and administration of this title.

(j) Report to the Legislature on the implementation and development of the online and electronic filing and disclosure requirements of this chapter. The report shall include an examination of system security, private security issues, software availability, compliance costs to filers, use of the filing system and software provided by the Secretary of State, and other issues relating to this chapter, and shall recommend appropriate changes if necessary. In preparing the report, the Commission may present to the Secretary of State and the Legislature its comments regarding this chapter as it relates to the duties of the Commission and suggest appropriate changes if necessary. There shall be one report

due before the system is operational as set forth in Section 84603, one report due no later than June 1, 2002, and one report due no later than January 31, 2003.

(k) Review the current filing and disclosure requirements of this chapter and report to the Legislature, no later than June 1, 2005, recommendations on revising these requirements so as to promote greater reliance on electronic and online submissions.

SEC. 2. Section 84604 of the Government Code is repealed.

SEC. 3. Section 84609 of the Government Code is repealed.

SEC. 4. Section 84610 of the Government Code is repealed.

SEC. 5. The Legislature finds and declares that this bill furthers the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.





Approved \_\_\_\_\_, 2012

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*Governor*