

AMENDED IN ASSEMBLY APRIL 8, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1666**

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**Introduced by Assembly Member Garcia**

February 12, 2014

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An act to amend ~~Sections 83124 and~~ *Section* 89513 of the Government Code, and to amend Section 86 of the Penal Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

AB 1666, as amended, Garcia. Political Reform Act of 1974: campaign funds: bribery fines.

Existing law, the Political Reform Act of 1974, provides for the comprehensive regulation of campaign financing and prohibits the use of campaign funds to pay or reimburse fines, penalties, judgments, or settlements, except as specified. Existing law makes a knowing or willful violation of the Political Reform Act of 1974 a misdemeanor and subjects offenders to criminal penalties.

Existing law subjects any member of the Legislature or any member of the legislative body of a city, county, city and county, school district, or other special district who asks for or receives a bribe in exchange for influence over his or her official action to imprisonment in a state prison and imposes prescribed restitution fines based on whether a bribe has actually been received.

This bill would increase the restitution fines to twice the original amount and prohibit the use of campaign funds to pay for the restitution fines. By introducing a new prohibition, the violation of which would be a misdemeanor, the bill would create a crime, thereby imposing a state-mandated local program. ~~The bill would also require the Fair~~

~~Political Practices Commission to adjust the fine amounts on January 1 of each odd-numbered year to reflect any increase or decrease in the Consumer Price Index.~~

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.

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

State-mandated local program: yes.

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

1 ~~SECTION 1. Section 83124 of the Government Code is~~  
2 ~~amended to read:~~

3 ~~83124. The commission shall adjust the contribution limitations~~  
4 ~~and voluntary expenditure limitations provisions in Sections 85301,~~  
5 ~~85302, 85303, and 85400 and the fine amounts specified in Section~~  
6 ~~86 of the Penal Code in January of every odd-numbered year to~~  
7 ~~reflect any increase or decrease in the Consumer Price Index. Those~~  
8 ~~adjustments shall be rounded to the nearest one hundred dollars~~  
9 ~~(\$100) for limitations on contributions, one thousand dollars~~  
10 ~~(\$1,000) for limitations on expenditures, and ten dollars (\$10) for~~  
11 ~~fine amounts.~~

12 ~~SEC. 2.~~

13 *SECTION 1.* Section 89513 of the Government Code is  
14 amended to read:

15 89513. This section governs the use of campaign funds for the  
16 specific expenditures set forth in this section. It is the intent of the  
17 Legislature that this section shall guide the interpretation of the  
18 standard imposed by Section 89512 as applied to other expenditures  
19 not specifically set forth in this section.

20 (a) (1) Campaign funds shall not be used to pay or reimburse  
21 the candidate, the elected officer, or any individual or individuals  
22 with authority to approve the expenditure of campaign funds held

1 by a committee, or employees or staff of the committee or the  
2 elected officer's governmental agency for travel expenses and  
3 necessary accommodations except when these expenditures are  
4 directly related to a political, legislative, or governmental purpose.

5 (2) For the purposes of this section, payments or reimbursements  
6 for travel and necessary accommodations shall be considered as  
7 directly related to a political, legislative, or governmental purpose  
8 if the payments would meet standards similar to the standards of  
9 the Internal Revenue Service pursuant to Sections 162 and 274 of  
10 the Internal Revenue Code for deductions of travel expenses under  
11 the federal income tax law.

12 (3) For the purposes of this section, payments or reimbursement  
13 for travel by the household of a candidate or elected officer when  
14 traveling to the same destination in order to accompany the  
15 candidate or elected officer shall be considered for the same  
16 purpose as the candidate's or elected officer's travel.

17 (4) Whenever campaign funds are used to pay or reimburse a  
18 candidate, elected officer, his or her representative, or a member  
19 of the candidate's household for travel expenses and necessary  
20 accommodations, the expenditure shall be reported as required by  
21 Section 84211.

22 (5) Whenever campaign funds are used to pay or reimburse for  
23 travel expenses and necessary accommodations, any mileage credit  
24 that is earned or awarded pursuant to an airline bonus mileage  
25 program shall be deemed personally earned by or awarded to the  
26 individual traveler. Neither the earning or awarding of mileage  
27 credit, nor the redeeming of credit for actual travel, shall be subject  
28 to reporting pursuant to Section 84211.

29 (b) (1) Campaign funds shall not be used to pay for or reimburse  
30 the cost of professional services unless the services are directly  
31 related to a political, legislative, or governmental purpose.

32 (2) Expenditures by a committee to pay for professional services  
33 reasonably required by the committee to assist it in the performance  
34 of its administrative functions are directly related to a political,  
35 legislative, or governmental purpose.

36 (3) Campaign funds shall not be used to pay health-related  
37 expenses for a candidate, elected officer, or any individual or  
38 individuals with authority to approve the expenditure of campaign  
39 funds held by a committee, or members of his or her household.  
40 "Health-related expenses" includes, but is not limited to,

1 examinations by physicians, dentists, psychiatrists, psychologists,  
2 or counselors, expenses for medications, treatments or medical  
3 equipment, and expenses for hospitalization, health club dues, and  
4 special dietary foods. However, campaign funds may be used to  
5 pay employer costs of health care benefits of a bona fide employee  
6 or independent contractor of the committee.

7 (c) (1) Campaign funds shall not be used to pay or reimburse  
8 fines, penalties, judgments, or settlements, except those resulting  
9 from either of the following:

10 (A) Parking citations incurred in the performance of an activity  
11 that was directly related to a political, legislative, or governmental  
12 purpose.

13 (B) Any other action for which payment of attorney’s fees from  
14 contributions would be permitted pursuant to this title.

15 (2) Campaign funds shall not be used to pay a restitution fine  
16 imposed under Section 86 of the Penal Code.

17 (d) Campaign funds shall not be used for campaign, business,  
18 or casual clothing except specialty clothing that is not suitable for  
19 everyday use, including, but not limited to, formal wear, if this  
20 attire is to be worn by the candidate or elected officer and is directly  
21 related to a political, legislative, or governmental purpose.

22 (e) (1) Except where otherwise prohibited by law, campaign  
23 funds may be used to purchase or reimburse for the costs of  
24 purchase of tickets to political fundraising events for the attendance  
25 of a candidate, elected officer, or his or her immediate family, or  
26 an officer, director, employee, or staff of the committee or the  
27 elected officer’s governmental agency.

28 (2) Campaign funds shall not be used to pay for or reimburse  
29 for the costs of tickets for entertainment or sporting events for the  
30 candidate, elected officer, or members of his or her immediate  
31 family, or an officer, director, employee, or staff of the committee,  
32 unless their attendance at the event is directly related to a political,  
33 legislative, or governmental purpose.

34 (3) The purchase of tickets for entertainment or sporting events  
35 for the benefit of persons other than the candidate, elected officer,  
36 or his or her immediate family are governed by subdivision (f).

37 (f) (1) Campaign funds shall not be used to make personal gifts  
38 unless the gift is directly related to a political, legislative, or  
39 governmental purpose. The refund of a campaign contribution  
40 does not constitute the making of a gift.

1 (2) Nothing in this section shall prohibit the use of campaign  
2 funds to reimburse or otherwise compensate a public employee  
3 for services rendered to a candidate or committee while on  
4 vacation, leave, or otherwise outside of compensated public time.

5 (3) An election victory celebration or similar campaign event,  
6 or gifts with a total cumulative value of less than two hundred fifty  
7 dollars (\$250) in a single year made to an individual employee, a  
8 committee worker, or an employee of the elected officer's agency,  
9 are considered to be directly related to a political, legislative, or  
10 governmental purpose. For purposes of this paragraph, a gift to a  
11 member of a person's immediate family shall be deemed to be a  
12 gift to that person.

13 (g) Campaign funds shall not be used to make loans other than  
14 to organizations pursuant to Section 89515, or, unless otherwise  
15 prohibited, to a candidate for elective office, political party, or  
16 committee.

17 ~~SEC. 3.~~

18 *SEC. 2.* Section 86 of the Penal Code is amended to read:

19 86. Every Member of either house of the Legislature, or any  
20 member of the legislative body of a city, county, city and county,  
21 school district, or other special district, who asks, receives, or  
22 agrees to receive, any bribe, upon any understanding that his or  
23 her official vote, opinion, judgment, or action shall be influenced  
24 thereby, or shall give, in any particular manner, or upon any  
25 particular side of any question or matter upon which he or she may  
26 be required to act in his or her official capacity, or gives, or offers  
27 or promises to give, any official vote in consideration that another  
28 Member of the Legislature, or another member of the legislative  
29 body of a city, county, city and county, school district, or other  
30 special district shall give this vote either upon the same or another  
31 question, is punishable by imprisonment in the state prison for  
32 two, three, or four years and, in cases in which no bribe has been  
33 actually received, by a restitution fine of not less than four thousand  
34 dollars (\$4,000) or not more than twenty thousand dollars (\$20,000)  
35 or, in cases in which a bribe was actually received, by a restitution  
36 fine of at least the actual amount of the bribe received or four  
37 thousand dollars (\$4,000), whichever is greater, or any larger  
38 amount of not more than double the amount of any bribe received  
39 or twenty thousand dollars (\$20,000), whichever is greater.

1 In imposing a fine under this section, the court shall consider  
2 the defendant's ability to pay the fine.

3 ~~SEC. 4.~~

4 *SEC. 3.* No reimbursement is required by this act pursuant to  
5 Section 6 of Article XIII B of the California Constitution because  
6 the only costs that may be incurred by a local agency or school  
7 district will be incurred because this act creates a new crime or  
8 infraction, eliminates a crime or infraction, or changes the penalty  
9 for a crime or infraction, within the meaning of Section 17556 of  
10 the Government Code, or changes the definition of a crime within  
11 the meaning of Section 6 of Article XIII B of the California  
12 Constitution.

13 ~~SEC. 5.~~

14 *SEC. 4.* The Legislature finds and declares that this bill furthers  
15 the purposes of the Political Reform Act of 1974 within the  
16 meaning of subdivision (a) of Section 81012 of the Government  
17 Code.