

AMENDED IN ASSEMBLY JANUARY 17, 2014

AMENDED IN ASSEMBLY AUGUST 21, 2013

AMENDED IN ASSEMBLY AUGUST 7, 2013

AMENDED IN ASSEMBLY JULY 2, 2013

AMENDED IN SENATE MAY 6, 2013

AMENDED IN SENATE APRIL 9, 2013

SENATE BILL

No. 27

Introduced by Senator Correa

(Principal coauthor: Assembly Member Gordon)

(Coauthor: Senator Pavley)

December 3, 2012

An act to amend Section 9084 of the Elections Code, and to amend Sections 82015, 82048.7, 84105, and 88001 of, and to add Sections 84222 and 84223 to, the Government Code, relating to the Political Reform Act of 1974, *and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

SB 27, as amended, Correa. Political Reform Act of 1974.

(1) 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, as defined, and imposing other reporting and recordkeeping requirements on campaign committees, as defined. The Fair Political Practices Commission administers and enforces the act. A violation of the act's provisions is punishable as a misdemeanor.

This bill would revise the definition of “contribution” to include certain payments made by a person to a multipurpose organization, as specified.

This bill would require multipurpose organizations that meet specified criteria to comply with the registration and campaign reporting requirements of the act, as specified, including the disclosure of information relating to the organization’s donors.

This bill would require state ballot measure committees and state candidate committees that raise \$1,000,000 or more for an election to maintain an accurate list of the committee’s top 10 contributors. This bill would require a committee to provide accurate lists of these contributors to the Commission, and would require the Commission to post the top 10 contributor lists on its Internet Web site, as specified, and to post updates to those lists when prescribed events occur. The bill would require the Commission to provide copies of the top 10 contributor lists to the Secretary of State, at the Secretary of State’s request, for purposes of posting those lists on the Secretary of State’s Internet Web site.

(2) The act requires a candidate or committee that receives contributions of \$5,000 or more from any person to inform the contributor within 2 weeks that he or she may be subject to the act’s reporting requirements.

This bill would require that the candidate or committee inform the contributor within one week for a contribution of \$10,000 or more received during the period in which late contribution reports must be filed. The bill would also require the notifications to reference the reporting requirements for multipurpose organizations.

By expanding the scope of existing crimes, this bill would impose a state-mandated local program.

(3) Existing law requires the Secretary of State to prepare a ballot pamphlet that includes specified information with respect to an election.

This bill would require the Secretary of State to include in the ballot pamphlet a written explanation of the top 10 contributor lists required by the bill, including a description of the Internet Web sites where those lists would be available to the public.

(4) 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.

(5) 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.

(6) *This bill would declare that it is to take effect immediately as an urgency statute.*

The bill would delay the operative date of its provisions until July 1, 2014.

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

3 (a) Multipurpose organizations, including out-of-state
4 organizations, are increasing their political activities in California,
5 and it is important to clarify how disclosure requirements apply
6 to these organizations to ensure that the public receives the required
7 information in an accurate, timely, and transparent manner.

8 (b) The Ninth Circuit Court of Appeals, in California Pro-Life
9 Council, Inc. v. Randolph (9th Cir. 2007) 507 F.3d 1172, upheld
10 the disclosure of a multipurpose organization’s political activities,
11 as required by regulations of the Fair Political Practices
12 Commission.

13 (c) The disclosure of donors to multipurpose organizations that
14 make contributions or expenditures to support or oppose California
15 candidates and ballot measures serves the following important
16 purposes:

17 (1) It provides the electorate with information as to where
18 campaign money comes from, increasing its ability to identify the
19 supporters of a candidate or ballot measure.

20 (2) It deters actual corruption and avoids the appearance of
21 corruption by providing increased transparency of contributions
22 and expenditures.

23 (3) It is an important means of gathering the information
24 necessary to detect violations of the Political Reform Act of 1974.

25 (d) The people of California have a compelling interest in
26 receiving clear and easy to use information about who is financing

1 state ballot measures and candidate independent expenditure
2 committees.

3 (e) It is therefore the intent of the Legislature to strengthen the
4 laws requiring the disclosure of contributions and expenditures in
5 California elections by multipurpose organizations and to require
6 committees that raise or spend one million dollars (\$1,000,000)
7 or more to support or oppose state ballot measures or make
8 independent expenditures on behalf of a state candidate to disclose
9 a list of their top 10 contributors on the Internet Web site of the
10 Fair Political Practices Commission.

11 SEC. 2. Section 9084 of the Elections Code is amended to read:
12 9084. The ballot pamphlet shall contain all of the following:

13 (a) A complete copy of each state measure.

14 (b) A copy of the specific constitutional or statutory provision,
15 if any, that each state measure would repeal or revise.

16 (c) A copy of the arguments and rebuttals for and against each
17 state measure.

18 (d) A copy of the analysis of each state measure.

19 (e) Tables of contents, indexes, art work, graphics, and other
20 materials that the Secretary of State determines will make the ballot
21 pamphlet easier to understand or more useful for the average voter.

22 (f) A notice, conspicuously printed on the cover of the ballot
23 pamphlet, indicating that additional copies of the ballot pamphlet
24 will be mailed by the county elections official upon request.

25 (g) A written explanation of the judicial retention procedure as
26 required by Section 9083.

27 (h) The Voter Bill of Rights pursuant to Section 2300.

28 (i) If the ballot contains an election for the office of United
29 States Senator, information on candidates for United States Senator.
30 A candidate for United States Senator may purchase the space to
31 place a statement in the state ballot pamphlet that does not exceed
32 250 words. The statement may not make any reference to any
33 opponent of the candidate. The statement shall be submitted in
34 accordance with timeframes and procedures set forth by the
35 Secretary of State for the preparation of the state ballot pamphlet.

36 (j) If the ballot contains a question on the confirmation or
37 retention of a justice of the Supreme Court, information on justices
38 of the Supreme Court who are subject to confirmation or retention.

39 (k) If the ballot contains an election for the offices of President
40 and Vice President of the United States, a notice that refers voters

1 to the Secretary of State’s Internet Web site for information about
2 candidates for the offices of President and Vice President of the
3 United States.

4 (l) A written explanation of the appropriate election procedures
5 for party-nominated, voter-nominated, and nonpartisan offices as
6 required by Section 9083.5.

7 (m) A written explanation of the top 10 contributor lists required
8 by Section 84223 of the Government Code, including a description
9 of the Internet Web sites where those lists are available to the
10 public.

11 SEC. 3. Section 82015 of the Government Code is amended
12 to read:

13 82015. (a) “Contribution” means a payment, a forgiveness of
14 a loan, a payment of a loan by a third party, or an enforceable
15 promise to make a payment except to the extent that full and
16 adequate consideration is received, unless it is clear from the
17 surrounding circumstances that it is not made for political purposes.

18 (b) (1) A payment made at the behest of a committee as defined
19 in subdivision (a) of Section 82013 is a contribution to the
20 committee unless full and adequate consideration is received from
21 the committee for making the payment.

22 (2) A payment made at the behest of a candidate is a contribution
23 to the candidate unless the criteria in either subparagraph (A) or
24 (B) are satisfied:

25 (A) Full and adequate consideration is received from the
26 candidate.

27 (B) It is clear from the surrounding circumstances that the
28 payment was made for purposes unrelated to his or her candidacy
29 for elective office. The following types of payments are presumed
30 to be for purposes unrelated to a candidate’s candidacy for elective
31 office:

32 (i) A payment made principally for personal purposes, in which
33 case it may be considered a gift under the provisions of Section
34 82028. Payments that are otherwise subject to the limits of Section
35 86203 are presumed to be principally for personal purposes.

36 (ii) A payment made by a state, local, or federal governmental
37 agency or by a nonprofit organization that is exempt from taxation
38 under Section 501(c)(3) of the Internal Revenue Code.

39 (iii) A payment not covered by clause (i), made principally for
40 legislative, governmental, or charitable purposes, in which case it

1 is neither a gift nor a contribution. However, payments of this type
2 that are made at the behest of a candidate who is an elected officer
3 shall be reported within 30 days following the date on which the
4 payment or payments equal or exceed five thousand dollars
5 (\$5,000) in the aggregate from the same source in the same
6 calendar year in which they are made. The report shall be filed by
7 the elected officer with the elected officer's agency and shall be
8 a public record subject to inspection and copying pursuant to
9 subdivision (a) of Section 81008. The report shall contain the
10 following information: name of payor, address of payor, amount
11 of the payment, date or dates the payment or payments were made,
12 the name and address of the payee, a brief description of the goods
13 or services provided or purchased, if any, and a description of the
14 specific purpose or event for which the payment or payments were
15 made. Once the five-thousand-dollar (\$5,000) aggregate threshold
16 from a single source has been reached for a calendar year, all
17 payments for the calendar year made by that source must be
18 disclosed within 30 days after the date the threshold was reached
19 or the payment was made, whichever occurs later. Within 30 days
20 after receipt of the report, state agencies shall forward a copy of
21 these reports to the Fair Political Practices Commission, and local
22 agencies shall forward a copy of these reports to the officer with
23 whom elected officers of that agency file their campaign
24 statements.

25 (C) For purposes of subparagraph (B), a payment is made for
26 purposes related to a candidate's candidacy for elective office if
27 all or a portion of the payment is used for election-related activities.
28 For purposes of this subparagraph, "election-related activities"
29 shall include, but are not limited to, the following:

30 (i) Communications that contain express advocacy of the
31 nomination or election of the candidate or the defeat of his or her
32 opponent.

33 (ii) Communications that contain reference to the candidate's
34 candidacy for elective office, the candidate's election campaign,
35 or the candidate's or his or her opponent's qualifications for
36 elective office.

37 (iii) Solicitation of contributions to the candidate or to third
38 persons for use in support of the candidate or in opposition to his
39 or her opponent.

1 (iv) Arranging, coordinating, developing, writing, distributing,
2 preparing, or planning of any communication or activity described
3 in clause (i), (ii), or (iii).

4 (v) Recruiting or coordinating campaign activities of campaign
5 volunteers on behalf of the candidate.

6 (vi) Preparing campaign budgets.

7 (vii) Preparing campaign finance disclosure statements.

8 (viii) Communications directed to voters or potential voters as
9 part of activities encouraging or assisting persons to vote if the
10 communication contains express advocacy of the nomination or
11 election of the candidate or the defeat of his or her opponent.

12 (D) A contribution made at the behest of a candidate for a
13 different candidate or to a committee not controlled by the
14 behesting candidate is not a contribution to the behesting candidate.

15 (3) A payment made at the behest of a member of the Public
16 Utilities Commission, made principally for legislative,
17 governmental, or charitable purposes, is not a contribution.
18 However, payments of this type shall be reported within 30 days
19 following the date on which the payment or payments equal or
20 exceed five thousand dollars (\$5,000) in the aggregate from the
21 same source in the same calendar year in which they are made.
22 The report shall be filed by the member with the Public Utilities
23 Commission and shall be a public record subject to inspection and
24 copying pursuant to subdivision (a) of Section 81008. The report
25 shall contain the following information: name of payor, address
26 of payor, amount of the payment, date or dates the payment or
27 payments were made, the name and address of the payee, a brief
28 description of the goods or services provided or purchased, if any,
29 and a description of the specific purpose or event for which the
30 payment or payments were made. Once the five-thousand-dollar
31 (\$5,000) aggregate threshold from a single source has been reached
32 for a calendar year, all payments for the calendar year made by
33 that source must be disclosed within 30 days after the date the
34 threshold was reached or the payment was made, whichever occurs
35 later. Within 30 days after receipt of the report, the Public Utilities
36 Commission shall forward a copy of these reports to the Fair
37 Political Practices Commission.

38 (c) "Contribution" includes the purchase of tickets for events
39 such as dinners, luncheons, rallies, and similar fundraising events;
40 the candidate's own money or property used on behalf of his or

1 her candidacy other than personal funds of the candidate used to
2 pay either a filing fee for a declaration of candidacy or a candidate
3 statement prepared pursuant to Section 13307 of the Elections
4 Code; the granting of discounts or rebates not extended to the
5 public generally or the granting of discounts or rebates by television
6 and radio stations and newspapers not extended on an equal basis
7 to all candidates for the same office; the payment of compensation
8 by any person for the personal services or expenses of any other
9 person if the services are rendered or expenses incurred on behalf
10 of a candidate or committee without payment of full and adequate
11 consideration.

12 (d) “Contribution” further includes any transfer of anything of
13 value received by a committee from another committee, unless
14 full and adequate consideration is received.

15 (e) “Contribution” does not include amounts received pursuant
16 to an enforceable promise to the extent those amounts have been
17 previously reported as a contribution. However, the fact that those
18 amounts have been received shall be indicated in the appropriate
19 campaign statement.

20 (f) “Contribution” does not include a payment made by an
21 occupant of a home or office for costs related to any meeting or
22 fundraising event held in the occupant’s home or office if the costs
23 for the meeting or fundraising event are five hundred dollars (\$500)
24 or less.

25 (g) Notwithstanding the foregoing definition of “contribution,”
26 the term does not include volunteer personal services or payments
27 made by any individual for his or her own travel expenses if the
28 payments are made voluntarily without any understanding or
29 agreement that they shall be, directly or indirectly, repaid to him
30 or her.

31 (h) “Contribution” further includes the payment of public
32 moneys by a state or local governmental agency for a
33 communication to the public that satisfies both of the following:

34 (1) The communication expressly advocates the election or
35 defeat of a clearly identified candidate or the qualification, passage,
36 or defeat of a clearly identified measure, or, taken as a whole and
37 in context, unambiguously urges a particular result in an election.

38 (2) The communication is made at the behest of the affected
39 candidate or committee.

1 (i) “Contribution” further includes a payment made by a person
2 to a multipurpose organization as defined and described in Section
3 84222.

4 SEC. 4. Section 82048.7 of the Government Code is amended
5 to read:

6 82048.7. (a) “Sponsored committee” means a committee, other
7 than a candidate controlled committee, that has one or more
8 sponsors. Any person, except a candidate or other individual, may
9 sponsor a committee.

10 (b) A person sponsors a committee if any of the following apply:

11 (1) The committee receives 80 percent or more of its
12 contributions from the person or its members, officers, employees,
13 or shareholders.

14 (2) The person collects contributions for the committee by use
15 of payroll deductions or dues from its members, officers, or
16 employees.

17 (3) The person, alone or in combination with other organizations,
18 provides all or nearly all of the administrative services for the
19 committee.

20 (4) The person, alone or in combination with other organizations,
21 sets the policies for soliciting contributions or making expenditures
22 of committee funds.

23 (c) A sponsor that is a multipurpose organization, as defined in
24 subdivision (a) of Section 84222, and that makes contributions or
25 expenditures from its general treasury funds shall comply with
26 Section 84222.

27 SEC. 5. Section 84105 of the Government Code is amended
28 to read:

29 84105. A candidate or committee that receives contributions
30 of five thousand dollars (\$5,000) or more from any person shall
31 inform the contributor within two weeks of receipt of the
32 contributions that he or she may be required to file campaign
33 reports, and shall include a reference to the filing requirements for
34 multipurpose organizations under Section 84222. However, a
35 candidate or committee that receives a contribution of ten thousand
36 dollars (\$10,000) or more from any person during any period in
37 which late contribution reports are required to be filed pursuant to
38 Section 84203 shall provide the information to the contributor
39 within one week. The notification required by this section is not
40 required to be sent to any contributor who has an identification

1 number assigned by the Secretary of State issued pursuant to
2 Section 84101.

3 SEC. 6. Section 84222 is added to the Government Code, to
4 read:

5 84222. (a) For purposes of this title, “multipurpose
6 organization” means an organization described in Sections
7 501(c)(3) to 501(c)(10), inclusive, of the Internal Revenue Code
8 and that is exempt from taxation under Section 501(a) of the
9 Internal Revenue Code, a federal or out-of-state political
10 organization, a trade association, a professional association, a civic
11 organization, a religious organization, a fraternal society, an
12 educational institution, or any other association or group of persons
13 acting in concert, that is operating for purposes other than making
14 contributions or expenditures. “Multipurpose organization” does
15 not include a business entity, an individual, or a federal candidate’s
16 authorized committee, as defined in Section 431 of Title 2 of the
17 United States Code, that is registered and filing reports pursuant
18 to the Federal Election Campaign Act of 1971 (*Public Law*
19 *92-225*).

20 (b) A multipurpose organization that makes expenditures or
21 contributions and does not qualify as a committee pursuant to
22 subdivision (c) may qualify as an independent expenditure
23 committee or major donor committee if the multipurpose
24 organization satisfies subdivision (b) or (c) of Section 82013.

25 (c) Except as provided in subparagraph (A) of paragraph (5), a
26 multipurpose organization is a recipient committee within the
27 meaning of subdivision (a) of Section 82013 only under one or
28 more of the following circumstances:

29 (1) The multipurpose organization is a political committee
30 registered with the Federal Election Commission, except as
31 provided in subdivision (a) of this section, or a political committee
32 registered with another state, and the multipurpose organization
33 makes contributions or expenditures in this state in an amount
34 equal to or greater than the amount identified in subdivision (a) of
35 Section 82013.

36 (2) The multipurpose organization solicits and receives payments
37 from donors in an amount equal to or greater than the amount
38 identified in subdivision (a) of Section 82013 for the purpose of
39 making contributions or expenditures.

1 (3) The multipurpose organization accepts payments from
2 donors in an amount equal to or greater than the amount identified
3 in subdivision (a) of Section 82013 subject to a condition,
4 agreement, or understanding with the donor that all or a portion
5 of the payments may be used for making contributions or
6 expenditures.

7 (4) The multipurpose organization has existing funds from a
8 donor and a subsequent agreement or understanding is reached
9 with the donor that all or a portion of the funds may be used for
10 making contributions or expenditures in an amount equal to or
11 greater than the amount identified in subdivision (a) of Section
12 82013. The date of the subsequent agreement or understanding is
13 deemed to be the date of receipt of the payment.

14 (5) The multipurpose organization makes contributions or
15 expenditures totaling more than fifty thousand dollars (\$50,000)
16 in a period of 12 months or more than one hundred thousand dollars
17 (\$100,000) in a period of four consecutive calendar years.

18 (A) A multipurpose organization shall not qualify as a committee
19 within the meaning of subdivision (a) of Section 82013 pursuant
20 to this paragraph if the multipurpose organization makes
21 contributions or expenditures using only available nondonor funds.
22 A multipurpose organization that makes contributions or
23 expenditures with nondonor funds shall briefly describe the source
24 of the funds used on its major donor or independent expenditure
25 report.

26 (B) For purposes of this paragraph, “nondonor funds” means
27 investment income, including capital gains, or income earned from
28 providing goods, services, or facilities, whether related or unrelated
29 to the multipurpose organization’s program, sale of assets, or other
30 receipts that are not donations.

31 (d) A multipurpose organization that is a committee pursuant
32 to paragraph (1) of subdivision (c) shall comply with the
33 registration and reporting requirements of this chapter, subject to
34 the following:

35 (1) The multipurpose organization is not required to comply
36 with subdivision (k) of Section 84211 for contributions and
37 expenditures made to influence federal or out-of-state elections,
38 which shall instead be reported as a single expenditure and be
39 described as such on the campaign statement.

1 (2) A multipurpose organization registered with the Federal
2 Election Commission is not subject to subdivisions (d) and (f) of
3 Section 84211 but shall disclose the total amount of contributions
4 received pursuant to subdivision (a) of Section 84211, and shall
5 disclose the multipurpose organization's name and identification
6 number registered with the Federal Election Commission on the
7 campaign statement.

8 (e) (1) A multipurpose organization that is a committee pursuant
9 to paragraph (2), (3), (4), or (5) of subdivision (c) shall comply
10 with the registration and reporting requirements of this chapter,
11 subject to the following, except that if the multipurpose
12 organization is the sponsor of a committee as described in
13 subdivision (f) it may report required information on its sponsored
14 committee statement pursuant to subdivision (f):

15 (A) The multipurpose organization shall register in the calendar
16 year in which it satisfies any of the criteria in subdivision (c). The
17 statement of organization filed pursuant to Section 84101 shall
18 indicate that the organization is filing pursuant to this section as
19 a multipurpose organization and state the organization's nonprofit
20 tax exempt status, if any. The statement of organization shall also
21 describe the organization's mission or most significant activities,
22 and describe the organization's political activities. A multipurpose
23 organization may comply with the requirement to describe the
24 mission or significant activities and political activities by
25 referencing where the organization's Internal Revenue Service
26 Return of Organization Exempt From Income Tax form may be
27 accessed.

28 (B) Except as provided in this subparagraph, the registration of
29 a multipurpose organization that meets the criteria of paragraph
30 (5) of subdivision (c) shall terminate automatically on December
31 31 of the calendar year in which the multipurpose organization is
32 registered. The multipurpose organization shall not be required to
33 file a semiannual statement pursuant to subdivision (b) of Section
34 84200, unless the multipurpose organization has undisclosed
35 contributions or expenditures to report, in which case termination
36 shall occur automatically upon filing the semiannual statement
37 that is due no later than January 31. After the multipurpose
38 organization's registration has terminated, the multipurpose
39 organization's reporting obligations are complete, unless the
40 organization qualifies as a committee for purposes of subdivision

1 (a) of Section 82013 again in the following calendar year pursuant
2 to subdivision (c) of this section. Notwithstanding this subdivision,
3 a multipurpose organization may elect to remain registered as a
4 committee by submitting written notification to the Secretary of
5 State prior to the end of the calendar year.

6 (C) A multipurpose organization shall report all contributions
7 received that satisfy the criteria of paragraph (2), (3), or (4) of
8 subdivision (c) of this section in the manner required by subdivision
9 (f) of Section 84211, and for the balance of its contributions or
10 expenditures shall further report contributors based on a last in,
11 first out accounting method.

12 (2) A multipurpose organization reporting pursuant to this
13 subdivision shall disclose total contributions received in an amount
14 equal to the multipurpose organization's total contributions and
15 expenditures made in the reporting period. When a multipurpose
16 organization reports donors based on the last in, first out accounting
17 method, it shall attribute to and include the information required
18 by subdivision (f) of Section 84211 for any donor who donates
19 one thousand dollars (\$1,000) or more in a calendar year, except
20 for the following:

21 (A) A donor who designates or restricts the donation for
22 purposes other than contributions or expenditures.

23 (B) A donor who prohibits the multipurpose organization's use
24 of its donation for contributions or expenditures.

25 (C) A private foundation, as defined by subdivision (a) of
26 Section 509 of the Internal Revenue Code, that provides a grant
27 that does not constitute a taxable expenditure for purposes of
28 paragraph (1) or (2) of subdivision (d) of Section 4945 of the
29 Internal Revenue Code.

30 (3) A multipurpose organization that qualifies as a committee
31 pursuant to paragraph (5) of subdivision (c) shall not be required
32 to include contributions or expenditures made in a prior calendar
33 year on the reports filed for the calendar year in which the
34 multipurpose organization qualifies as a committee.

35 (4) A contributor identified and reported in the manner provided
36 in subparagraph (C) of paragraph (1) that is a multipurpose
37 organization and receives contributions that satisfy the criteria in
38 subdivision (c) shall be subject to the requirements of this
39 subdivision.

1 (5) The commission shall adopt regulations establishing notice
2 requirements and reasonable filing deadlines for donors reported
3 as contributors based on the last in, first out accounting method.

4 (f) A multipurpose organization that is the sponsor of a
5 committee as defined in Section 82048.7, that is a membership
6 organization, that makes all of its contributions and expenditures
7 from funds derived from dues, assessments, fees, and similar
8 payments that do not exceed ten thousand dollars (\$10,000) per
9 calendar year from a single source, and that elects to report its
10 contributions and expenditures on its sponsored committee's
11 campaign statement pursuant to paragraph (1) of subdivision (e)
12 shall report as follows:

13 (1) The sponsored committee shall report all contributions and
14 expenditures made from the sponsor's treasury funds on statements
15 and reports filed by the committee. The sponsor shall use a last in,
16 first out accounting method and disclose the information required
17 by subdivision (f) of Section 84211 for any person who pays dues,
18 assessments, fees, or similar payments of one thousand dollars
19 (\$1,000) or more to the sponsor's treasury funds in a calendar year
20 and shall disclose all contributions and expenditures made, as
21 required by subdivision (k) of Section 84211, on the sponsored
22 committee's campaign statements.

23 (2) The sponsored committee shall report all other contributions
24 and expenditures in support of the committee by the sponsor, its
25 intermediate units, and the members of those entities. A sponsoring
26 organization makes contributions and expenditures in support of
27 its sponsored committee when it provides the committee with
28 money from its treasury funds, with the exception of establishment
29 or administrative costs. With respect to dues, assessments, fees,
30 and similar payments channeled through the sponsor or an
31 intermediate unit to a sponsored committee, the original source of
32 the dues, assessments, fees, and similar payments is the contributor.

33 (3) A responsible officer of the sponsor, as well as the treasurer
34 of the sponsored committee, shall verify the committee's campaign
35 statement pursuant to Section 81004.

36 (g) For purposes of this section, "last in, first out accounting
37 method" means an accounting method by which contributions and
38 expenditures are attributed to the multipurpose organization's
39 contributors in reverse chronological order beginning with the
40 most recent of its contributors or, if there are any prior

1 contributions or expenditures, beginning with the most recent
2 contributor for which unattributed contributions remain.

3 SEC. 7. Section 84223 is added to the Government Code, to
4 read:

5 84223. (a) A committee primarily formed to support or oppose
6 a state ballot measure or state candidate that raises one million
7 dollars (\$1,000,000) or more for an election shall maintain an
8 accurate list of the committee's top 10 contributors, as specified
9 by Commission regulations. A current list of the top 10 contributors
10 shall be provided to the Commission for disclosure on the
11 Commission's Internet Web site, as provided in subdivision (c).

12 (b) (1) Except as provided in paragraph (4), the list of top 10
13 contributors shall identify the names of the 10 persons who have
14 made the largest cumulative contributions to the committee, the
15 total amount of each person's contributions, the city and state of
16 the person, the person's committee identification number, if any,
17 and any other information deemed necessary by the Commission.
18 If any of the top 10 contributors identified on the list are
19 committees pursuant to subdivision (a) of Section 82013, the
20 Commission may require, by regulation, that the list also identify
21 the top 10 contributors to those contributing committees.

22 (2) (A) A committee primarily formed to support or oppose a
23 state ballot measure shall count the cumulative amount of
24 contributions received by the committee from a person for the
25 period beginning 12 months prior to the date the committee made
26 its first expenditure to qualify, support, or oppose the measure and
27 ending with the current date.

28 (B) A committee primarily formed to support or oppose a state
29 candidate shall count the cumulative amount of contributions
30 received by the committee from a person for the primary and
31 general elections combined.

32 (3) The aggregation rules of Section 85311 and any
33 implementing regulations adopted by the Commission shall apply
34 in identifying the persons who have made the top 10 cumulative
35 contributions to a committee.

36 (4) A person who makes contributions to a committee in a
37 cumulative amount of less than ten thousand dollars (\$10,000)
38 shall not be identified or disclosed as a top 10 contributor to a
39 committee pursuant to this section.

1 (c) (1) The Commission shall adopt regulations to govern the
2 manner in which the Commission shall display top 10 contributor
3 lists provided by a committee that is subject to this section, and
4 the Commission shall post the top 10 contributor lists on its Internet
5 Web site in the manner prescribed by those regulations. The
6 Commission shall provide the top 10 contributor lists to the
7 Secretary of State, upon the request of the Secretary of State, for
8 the purpose of additionally posting the contributor lists on the
9 Secretary of State's Internet Web site.

10 (2) A committee shall provide an updated top 10 contributor
11 list to the Commission when any of the following occurs:

12 (A) A new person qualifies as a top 10 contributor to the
13 committee.

14 (B) A person who is an existing top 10 contributor makes
15 additional contributions to the committee.

16 (C) A change occurs that alters the relative ranking order of the
17 top 10 contributors.

18 (3) The 10 persons who have made the largest cumulative
19 contributions to a committee shall be listed in order from largest
20 contribution amount to smallest amount. If two or more
21 contributors of identical amounts meet the threshold for inclusion
22 in the list of top 10 contributors, the order of disclosure shall be
23 made beginning with the most recent contributor of that amount.

24 (4) The Commission shall post or update a top 10 contributor
25 list within five business days or, during the 16 days before the
26 election, within 48 hours of a contributor qualifying for the list or
27 of any change to the list.

28 (d) In listing the top 10 contributors, a committee shall use
29 reasonable efforts to identify and state the actual individuals or
30 corporations that are the true sources of the contributions made to
31 the committee from other persons or committees.

32 (e) In addition to any other lists that the Commission is required
33 to post on its Internet Web site, the Commission shall compile,
34 maintain, and display on its Internet Web site a current list of the
35 top 10 contributors supporting and opposing each state ballot
36 measure, as prescribed by Commission regulations.

37 SEC. 8. Section 88001 of the Government Code is amended
38 to read:

39 88001. The ballot pamphlet shall contain all of the following:

40 (a) A complete copy of each state measure.

- 1 (b) A copy of the specific constitutional or statutory provision,
2 if any, that would be repealed or revised by each state measure.
- 3 (c) A copy of the arguments and rebuttals for and against each
4 state measure.
- 5 (d) A copy of the analysis of each state measure.
- 6 (e) Tables of contents, indexes, art work, graphics, and other
7 materials that the Secretary of State determines will make the ballot
8 pamphlet easier to understand or more useful for the average voter.
- 9 (f) A notice, conspicuously printed on the cover of the ballot
10 pamphlet, indicating that additional copies of the ballot pamphlet
11 will be mailed by the county elections official upon request.
- 12 (g) A written explanation of the judicial retention procedure as
13 required by Section 9083 of the Elections Code.
- 14 (h) The Voter Bill of Rights pursuant to Section 2300 of the
15 Elections Code.
- 16 (i) If the ballot contains an election for the office of United
17 States Senator, information on candidates for United States Senator.
18 A candidate for United States Senator may purchase the space to
19 place a statement in the state ballot pamphlet that does not exceed
20 250 words. The statement may not make any reference to any
21 opponent of the candidate. The statement shall be submitted in
22 accordance with timeframes and procedures set forth by the
23 Secretary of State for the preparation of the state ballot pamphlet.
- 24 (j) If the ballot contains a question as to the confirmation or
25 retention of a justice of the Supreme Court, information on justices
26 of the Supreme Court who are subject to confirmation or retention.
- 27 (k) If the ballot contains an election for the offices of President
28 and Vice President of the United States, a notice that refers voters
29 to the Secretary of State's Internet Web site for information about
30 candidates for the offices of President and Vice President of the
31 United States.
- 32 (l) A written explanation of the appropriate election procedures
33 for party-nominated, voter-nominated, and nonpartisan offices as
34 required by Section 9083.5 of the Elections Code.
- 35 (m) A written explanation of the top 10 contributor lists required
36 by Section 84223, including a description of the Internet Web sites
37 where those lists are available to the public.
- 38 SEC. 9. No reimbursement is required by this act pursuant to
39 Section 6 of Article XIII B of the California Constitution because
40 the only costs that may be incurred by a local agency or school

1 district will be incurred because this act creates a new crime or
2 infraction, eliminates a crime or infraction, or changes the penalty
3 for a crime or infraction, within the meaning of Section 17556 of
4 the Government Code, or changes the definition of a crime within
5 the meaning of Section 6 of Article XIII B of the California
6 Constitution.

7 *SEC. 10. Sections 1, 6, and 7 of this act shall become operative*
8 *on July 1, 2014. The changes made to Section 9084 of the Elections*
9 *Code by Section 2 of this act and the changes made to Sections*
10 *82015, 82048.7, 84105, and 88001 of the Government Code by*
11 *Sections 3, 4, 5, and 8 of this act shall become operative on July*
12 *1, 2014.*

13 ~~SEC. 10.~~

14 *SEC. 11.* The Legislature finds and declares that this bill
15 furthers the purposes of the Political Reform Act of 1974 within
16 the meaning of subdivision (a) of Section 81012 of the Government
17 Code.

18 *SEC. 12. This act is an urgency statute necessary for the*
19 *immediate preservation of the public peace, health, or safety within*
20 *the meaning of Article IV of the Constitution and shall go into*
21 *immediate effect. The facts constituting the necessity are:*

22 *In order to implement these proposals at the earliest possible*
23 *time prior to the 2014 General Election, it is necessary that this*
24 *act take immediate effect.*