

AMENDED IN ASSEMBLY APRIL 10, 2014  
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**

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**Introduced by Senator Correa**  
(Principal coauthor: Assembly Member Gordon)  
(Coauthor: Senator Pavley)

December 3, 2012

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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.

1 (d) The people of California have a compelling interest in  
2 receiving clear and easy to use information about who is financing  
3 state ballot measures and candidate independent expenditure  
4 committees.

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

13 SEC. 2. Section 9084 of the Elections Code is amended to read:  
14 9084. The ballot pamphlet shall contain all of the following:

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

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

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

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

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

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

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

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

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

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

1 (k) If the ballot contains an election for the offices of President  
2 and Vice President of the United States, a notice that refers voters  
3 to the Secretary of State’s Internet Web site for information about  
4 candidates for the offices of President and Vice President of the  
5 United States.

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

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

13 SEC. 3. Section 82015 of the Government Code is amended  
14 to read:

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

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

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

27 (A) Full and adequate consideration is received from the  
28 candidate.

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

34 (i) A payment made principally for personal purposes, in which  
35 case it may be considered a gift under the provisions of Section  
36 82028. Payments that are otherwise subject to the limits of Section  
37 86203 are presumed to be principally for personal purposes.

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

1 (iii) A payment not covered by clause (i), made principally for  
2 legislative, governmental, or charitable purposes, in which case it  
3 is neither a gift nor a contribution. However, payments of this type  
4 that are made at the behest of a candidate who is an elected officer  
5 shall be reported within 30 days following the date on which the  
6 payment or payments equal or exceed five thousand dollars  
7 (\$5,000) in the aggregate from the same source in the same  
8 calendar year in which they are made. The report shall be filed by  
9 the elected officer with the elected officer's agency and shall be  
10 a public record subject to inspection and copying pursuant to  
11 subdivision (a) of Section 81008. The report shall contain the  
12 following information: name of payor, address of payor, amount  
13 of the payment, date or dates the payment or payments were made,  
14 the name and address of the payee, a brief description of the goods  
15 or services provided or purchased, if any, and a description of the  
16 specific purpose or event for which the payment or payments were  
17 made. Once the five-thousand-dollar (\$5,000) aggregate threshold  
18 from a single source has been reached for a calendar year, all  
19 payments for the calendar year made by that source must be  
20 disclosed within 30 days after the date the threshold was reached  
21 or the payment was made, whichever occurs later. Within 30 days  
22 after receipt of the report, state agencies shall forward a copy of  
23 these reports to the Fair Political Practices Commission, and local  
24 agencies shall forward a copy of these reports to the officer with  
25 whom elected officers of that agency file their campaign  
26 statements.

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

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

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

- 1 (iii) Solicitation of contributions to the candidate or to third
- 2 persons for use in support of the candidate or in opposition to his
- 3 or her opponent.
- 4 (iv) Arranging, coordinating, developing, writing, distributing,
- 5 preparing, or planning of any communication or activity described
- 6 in clause (i), (ii), or (iii).
- 7 (v) Recruiting or coordinating campaign activities of campaign
- 8 volunteers on behalf of the candidate.
- 9 (vi) Preparing campaign budgets.
- 10 (vii) Preparing campaign finance disclosure statements.
- 11 (viii) Communications directed to voters or potential voters as
- 12 part of activities encouraging or assisting persons to vote if the
- 13 communication contains express advocacy of the nomination or
- 14 election of the candidate or the defeat of his or her opponent.
- 15 (D) A contribution made at the behest of a candidate for a
- 16 different candidate or to a committee not controlled by the
- 17 behesting candidate is not a contribution to the behesting candidate.
- 18 (3) A payment made at the behest of a member of the Public
- 19 Utilities Commission, made principally for legislative,
- 20 governmental, or charitable purposes, is not a contribution.
- 21 However, payments of this type shall be reported within 30 days
- 22 following the date on which the payment or payments equal or
- 23 exceed five thousand dollars (\$5,000) in the aggregate from the
- 24 same source in the same calendar year in which they are made.
- 25 The report shall be filed by the member with the Public Utilities
- 26 Commission and shall be a public record subject to inspection and
- 27 copying pursuant to subdivision (a) of Section 81008. The report
- 28 shall contain the following information: name of payor, address
- 29 of payor, amount of the payment, date or dates the payment or
- 30 payments were made, the name and address of the payee, a brief
- 31 description of the goods or services provided or purchased, if any,
- 32 and a description of the specific purpose or event for which the
- 33 payment or payments were made. Once the five-thousand-dollar
- 34 (\$5,000) aggregate threshold from a single source has been reached
- 35 for a calendar year, all payments for the calendar year made by
- 36 that source must be disclosed within 30 days after the date the
- 37 threshold was reached or the payment was made, whichever occurs
- 38 later. Within 30 days after receipt of the report, the Public Utilities
- 39 Commission shall forward a copy of these reports to the Fair
- 40 Political Practices Commission.

1 (c) “Contribution” includes the purchase of tickets for events  
2 such as dinners, luncheons, rallies, and similar fundraising events;  
3 the candidate’s own money or property used on behalf of his or  
4 her candidacy other than personal funds of the candidate used to  
5 pay either a filing fee for a declaration of candidacy or a candidate  
6 statement prepared pursuant to Section 13307 of the Elections  
7 Code; the granting of discounts or rebates not extended to the  
8 public generally or the granting of discounts or rebates by television  
9 and radio stations and newspapers not extended on an equal basis  
10 to all candidates for the same office; the payment of compensation  
11 by any person for the personal services or expenses of any other  
12 person if the services are rendered or expenses incurred on behalf  
13 of a candidate or committee without payment of full and adequate  
14 consideration.

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

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

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

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

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

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

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

3 (i) “Contribution” further includes a payment made by a person  
4 to a multipurpose organization as defined and described in Section  
5 84222.

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

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

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

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

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

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

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

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

29 SEC. 5. Section 84105 of the Government Code is amended  
30 to read:

31 84105. A candidate or committee that receives contributions  
32 of five thousand dollars (\$5,000) or more from any person shall  
33 inform the contributor within two weeks of receipt of the  
34 contributions that he or she may be required to file campaign  
35 reports, and shall include a reference to the filing requirements for  
36 multipurpose organizations under Section 84222. However, a  
37 candidate or committee that receives a contribution of ten thousand  
38 dollars (\$10,000) or more from any person during any period in  
39 which late contribution reports are required to be filed pursuant to  
40 Section 84203 shall provide the information to the contributor

1 within one week. The notification required by this section is not  
2 required to be sent to any contributor who has an identification  
3 number assigned by the Secretary of State issued pursuant to  
4 Section 84101.

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

7 84222. (a) For purposes of this title, “multipurpose  
8 organization” means an organization described in Sections  
9 501(c)(3) to 501(c)(10), inclusive, of the Internal Revenue Code  
10 and that is exempt from taxation under Section 501(a) of the  
11 Internal Revenue Code, a federal or out-of-state political  
12 organization, a trade association, a professional association, a civic  
13 organization, a religious organization, a fraternal society, an  
14 educational institution, or any other association or group of persons  
15 acting in concert, that is operating for purposes other than making  
16 contributions or expenditures. “Multipurpose organization” does  
17 not include a business entity, an individual, or a federal candidate’s  
18 authorized committee, as defined in Section 431 of Title 2 of the  
19 United States Code, that is registered and filing reports pursuant  
20 to the Federal Election Campaign Act of 1971 (Public Law  
21 92-225).

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

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

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

38 (2) The multipurpose organization solicits and receives payments  
39 from donors in an amount equal to or greater than the amount

1 identified in subdivision (a) of Section 82013 for the purpose of  
2 making contributions or expenditures.

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

9 (4) The multipurpose organization has existing funds from a  
10 donor and a subsequent agreement or understanding is reached  
11 with the donor that all or a portion of the funds may be used for  
12 making contributions or expenditures in an amount equal to or  
13 greater than the amount identified in subdivision (a) of Section  
14 82013. The date of the subsequent agreement or understanding is  
15 deemed to be the date of receipt of the payment.

16 (5) The multipurpose organization makes contributions or  
17 expenditures totaling more than fifty thousand dollars (\$50,000)  
18 in a period of 12 months or more than one hundred thousand dollars  
19 (\$100,000) in a period of four consecutive calendar years.

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

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

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

37 (1) The multipurpose organization is not required to comply  
38 with subdivision (k) of Section 84211 for contributions and  
39 expenditures made to influence federal or out-of-state elections,

1 which shall instead be reported as a single expenditure and be  
2 described as such on the campaign statement.

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

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

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

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

1 organization's reporting obligations are complete, unless the  
2 organization qualifies as a committee for purposes of subdivision  
3 (a) of Section 82013 again in the following calendar year pursuant  
4 to subdivision (c) of this section. Notwithstanding this subdivision,  
5 a multipurpose organization may elect to remain registered as a  
6 committee by submitting written notification to the Secretary of  
7 State prior to the end of the calendar year.

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

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

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

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

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

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

37 (4) *If a multipurpose organization qualifies as a committee*  
38 *solely pursuant to paragraph (5) of subdivision (c) and the*  
39 *committee is required to report donors based on a last in, first out*  
40 *accounting method pursuant to paragraph (1), the multipurpose*

1 *organization shall not be required to disclose donor information*  
2 *for a donation received by the multipurpose organization prior to*  
3 *July 1, 2014. This paragraph shall not apply with respect to a*  
4 *donation made by a donor who knew that the multipurpose*  
5 *organization would use the donation to support or oppose a*  
6 *candidate or ballot measure in the state by requesting that the*  
7 *donation be used for that purpose or by making the donation in*  
8 *response to a message or solicitation indicating the multipurpose*  
9 *organization's intent to use the donation for that purpose.*

10 ~~(4)~~

11 (5) A contributor identified and reported in the manner provided  
12 in subparagraph (C) of paragraph (1) that is a multipurpose  
13 organization and receives contributions that satisfy the criteria in  
14 subdivision (c) shall be subject to the requirements of this  
15 subdivision.

16 ~~(5)~~

17 (6) The commission shall adopt regulations establishing notice  
18 requirements and reasonable filing deadlines for donors reported  
19 as contributors based on the last in, first out accounting method.

20 (f) A multipurpose organization that is the sponsor of a  
21 committee as defined in Section 82048.7, that is a membership  
22 organization, that makes all of its contributions and expenditures  
23 from funds derived from dues, assessments, fees, and similar  
24 payments that do not exceed ten thousand dollars (\$10,000) per  
25 calendar year from a single source, and that elects to report its  
26 contributions and expenditures on its sponsored committee's  
27 campaign statement pursuant to paragraph (1) of subdivision (e)  
28 shall report as follows:

29 (1) The sponsored committee shall report all contributions and  
30 expenditures made from the sponsor's treasury funds on statements  
31 and reports filed by the committee. The sponsor shall use a last in,  
32 first out accounting method and disclose the information required  
33 by subdivision (f) of Section 84211 for any person who pays dues,  
34 assessments, fees, or similar payments of one thousand dollars  
35 (\$1,000) or more to the sponsor's treasury funds in a calendar year  
36 and shall disclose all contributions and expenditures made, as  
37 required by subdivision (k) of Section 84211, on the sponsored  
38 committee's campaign statements.

39 (2) The sponsored committee shall report all other contributions  
40 and expenditures in support of the committee by the sponsor, its

1 intermediate units, and the members of those entities. A sponsoring  
2 organization makes contributions and expenditures in support of  
3 its sponsored committee when it provides the committee with  
4 money from its treasury funds, with the exception of establishment  
5 or administrative costs. With respect to dues, assessments, fees,  
6 and similar payments channeled through the sponsor or an  
7 intermediate unit to a sponsored committee, the original source of  
8 the dues, assessments, fees, and similar payments is the contributor.

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

12 (g) For purposes of this section, "last in, first out accounting  
13 method" means an accounting method by which contributions and  
14 expenditures are attributed to the multipurpose organization's  
15 contributors in reverse chronological order beginning with the  
16 most recent of its contributors or, if there are any prior  
17 contributions or expenditures, beginning with the most recent  
18 contributor for which unattributed contributions remain.

19 SEC. 7. Section 84223 is added to the Government Code, to  
20 read:

21 84223. (a) A committee primarily formed to support or oppose  
22 a state ballot measure or state candidate that raises one million  
23 dollars (\$1,000,000) or more for an election shall maintain an  
24 accurate list of the committee's top 10 contributors, as specified  
25 by Commission regulations. A current list of the top 10 contributors  
26 shall be provided to the Commission for disclosure on the  
27 Commission's Internet Web site, as provided in subdivision (c).

28 (b) (1) Except as provided in paragraph (4), the list of top 10  
29 contributors shall identify the names of the 10 persons who have  
30 made the largest cumulative contributions to the committee, the  
31 total amount of each person's contributions, the city and state of  
32 the person, the person's committee identification number, if any,  
33 and any other information deemed necessary by the Commission.  
34 If any of the top 10 contributors identified on the list are  
35 committees pursuant to subdivision (a) of Section 82013, the  
36 Commission may require, by regulation, that the list also identify  
37 the top 10 contributors to those contributing committees.

38 (2) (A) A committee primarily formed to support or oppose a  
39 state ballot measure shall count the cumulative amount of  
40 contributions received by the committee from a person for the

1 period beginning 12 months prior to the date the committee made  
2 its first expenditure to qualify, support, or oppose the measure and  
3 ending with the current date.

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

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

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

16 (c) (1) The Commission shall adopt regulations to govern the  
17 manner in which the Commission shall display top 10 contributor  
18 lists provided by a committee that is subject to this section, and  
19 the Commission shall post the top 10 contributor lists on its Internet  
20 Web site in the manner prescribed by those regulations. The  
21 Commission shall provide the top 10 contributor lists to the  
22 Secretary of State, upon the request of the Secretary of State, for  
23 the purpose of additionally posting the contributor lists on the  
24 Secretary of State's Internet Web site.

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

27 (A) A new person qualifies as a top 10 contributor to the  
28 committee.

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

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

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

39 (4) The Commission shall post or update a top 10 contributor  
40 list within five business days or, during the 16 days before the

1 election, within 48 hours of a contributor qualifying for the list or  
2 of any change to the list.

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

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

12 SEC. 8. Section 88001 of the Government Code is amended  
13 to read:

14 88001. The ballot pamphlet shall contain all of the following:

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

16 (b) A copy of the specific constitutional or statutory provision,  
17 if any, that would be repealed or revised by each state measure.

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

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

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

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

27 (g) A written explanation of the judicial retention procedure as  
28 required by Section 9083 of the Elections Code.

29 (h) The Voter Bill of Rights pursuant to Section 2300 of the  
30 Elections Code.

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

1 (j) If the ballot contains a question as to the confirmation or  
2 retention of a justice of the Supreme Court, information on justices  
3 of the Supreme Court who are subject to confirmation or retention.

4 (k) If the ballot contains an election for the offices of President  
5 and Vice President of the United States, a notice that refers voters  
6 to the Secretary of State's Internet Web site for information about  
7 candidates for the offices of President and Vice President of the  
8 United States.

9 (l) A written explanation of the appropriate election procedures  
10 for party-nominated, voter-nominated, and nonpartisan offices as  
11 required by Section 9083.5 of the Elections Code.

12 (m) A written explanation of the top 10 contributor lists required  
13 by Section 84223, including a description of the Internet Web sites  
14 where those lists are available to the public.

15 SEC. 9. No reimbursement is required by this act pursuant to  
16 Section 6 of Article XIII B of the California Constitution because  
17 the only costs that may be incurred by a local agency or school  
18 district will be incurred because this act creates a new crime or  
19 infraction, eliminates a crime or infraction, or changes the penalty  
20 for a crime or infraction, within the meaning of Section 17556 of  
21 the Government Code, or changes the definition of a crime within  
22 the meaning of Section 6 of Article XIII B of the California  
23 Constitution.

24 SEC. 10. Sections 1, 6, and 7 of this act shall become operative  
25 on July 1, 2014. The changes made to Section 9084 of the Elections  
26 Code by Section 2 of this act and the changes made to Sections  
27 82015, 82048.7, 84105, and 88001 of the Government Code by  
28 Sections 3, 4, 5, and 8 of this act shall become operative on July  
29 1, 2014.

30 SEC. 11. The Legislature finds and declares that this bill  
31 furthers the purposes of the Political Reform Act of 1974 within  
32 the meaning of subdivision (a) of Section 81012 of the Government  
33 Code.

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

1 In order to implement these proposals at the earliest possible  
2 time prior to the 2014 General Election, it is necessary that this  
3 act take immediate effect.

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