

AMENDED IN SENATE APRIL 10, 2014

SENATE BILL

No. 1443

**Introduced by Senators De León, Corbett, Hill, Lara, Monning,
Roth, Steinberg, and Torres**

February 21, 2014

An act to amend Sections 86203 and 89503 of the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

SB 1443, as amended, De León. Political Reform Act of 1974: *gift limitations.*

The Political Reform Act of 1974 provides for the comprehensive regulation of ~~campaign financing, including requiring the reporting of campaign contributions and expenditures and imposing other reporting and recordkeeping requirements on campaign committees~~ *the lobbying industry and imposes various restrictions on public officials for the purpose of avoiding conflicts of interests. The act prohibits a lobbyist or lobbying firm from making gifts to any person aggregating more than \$10 in a calendar month and prohibits an elected state officer, elected officer of a local government agency, or other designated individual from accepting gifts from any single source in any calendar year with a total value of more than \$250. Existing law requires the Fair Political Practices Commission to adjust the gift limitation amount on January 1 of each odd-numbered year to reflect changes in the Consumer Price Index.* The act also imposes administrative, civil, and criminal fines and penalties for violations of its provisions.

This bill would prohibit a lobbyist or lobbying firm from making a gift of any amount. The bill would prohibit an elected state officer, elected officer of a local government agency, or other designated

individual from accepting gifts from a single source in a calendar year with a total value of more than \$200 and would authorize the Fair Political Practices Commission to increase the gift limitation amount each odd-numbered year based upon changes in the Consumer Price Index. The bill would further prohibit a candidate for elective state office, elected state officer, or legislative official from receiving a gift of tickets to specified venues and events or a gift comprised of specified recreational activities. By creating additional crimes, the bill would impose a state-mandated local program.

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

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

~~This bill would declare the intent of the Legislature to enact legislation that would review and make changes to the act.~~

Vote: ~~majority~~ $\frac{2}{3}$. Appropriation: no. Fiscal committee: ~~no~~-yes. State-mandated local program: ~~no~~-yes.

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

1 SECTION 1. Section 86203 of the Government Code is
2 amended to read:

3 86203. ~~It shall be unlawful for a~~A lobbyist, or lobbying firm;
4 ~~to shall not~~ make gifts to ~~one~~ any person aggregating more than
5 ~~ten dollars (\$10) in a calendar month, or to~~, act as an agent or
6 intermediary in the making of ~~any~~ a gift, or ~~to~~ arrange for the
7 making of ~~any~~ a gift by ~~any other~~ another person.

8 SEC. 2. Section 89503 of the Government Code is amended to
9 read:

10 89503. (a) ~~No~~An elected state officer, elected officer of a local
11 government agency, or other individual specified in Section 87200
12 shall ~~not~~ accept gifts from ~~any~~ a single source in ~~any~~ a calendar

1 year with a total value of more than two hundred ~~fifty~~ dollars
2 (~~\$250~~) (\$200).

3 (b) (1) ~~No~~A candidate for elective state office, for judicial
4 office, or for elective office in a local government agency shall
5 *not* accept gifts from ~~any~~ a single source in ~~any~~ a calendar year
6 with a total value of more than two hundred ~~fifty~~ dollars (~~\$250~~)
7 (\$200). A person shall be deemed a candidate for purposes of this
8 subdivision when the person has filed a statement of organization
9 as a committee for election to a state or local office, a declaration
10 of intent, or a declaration of candidacy, whichever occurs first. A
11 person shall not be deemed a candidate for purposes of this
12 subdivision after he or she is sworn into the elective office, or, if
13 the person lost the election, after the person has terminated his or
14 her campaign statement filing obligations for that office pursuant
15 to Section 84214 or after certification of the election results,
16 whichever is earlier.

17 (2) Paragraph (1) ~~shall~~ *does* not apply to ~~any~~ a person who is a
18 candidate, as described in paragraph (1), for judicial office on or
19 before December 31, 1996.

20 (c) ~~No~~A member of a state board or commission or designated
21 employee of a state or local government agency shall *not* accept
22 gifts from ~~any~~ a single source in ~~any~~ a calendar year with a total
23 value of more than two hundred ~~fifty~~ dollars (~~\$250~~) (\$200) if the
24 member or employee would be required to report the receipt of
25 income or gifts from that source on his or her statement of
26 economic interests.

27 (d) This section ~~shall~~ *does* not apply to a person in his or her
28 capacity as judge. This section ~~shall~~ *does* not apply to a person in
29 his or her capacity as a part-time member of the governing board
30 of ~~any~~ a public institution of higher education, unless that position
31 is an elective office.

32 (e) This section ~~shall~~ *does* not prohibit or limit *any* of the
33 following:

34 (1) Payments, advances, or reimbursements for travel and related
35 lodging and subsistence permitted by Section 89506.

36 (2) Wedding gifts and gifts exchanged between individuals on
37 birthdays, holidays, and other similar occasions, provided that the
38 gifts exchanged are not substantially disproportionate in value.

39 (f) ~~Beginning on January 1, 1993, the commission shall adjust~~
40 ~~the gift limitation in this section on January 1 of each~~

1 odd-numbered year to reflect changes in the Consumer Price Index,
2 rounded to the nearest ten dollars (\$10):

3 (f) On January 1 of each odd-numbered year, beginning on
4 January 1, 2015, the Commission may, at its discretion, increase
5 the gift limitation amount specified in subdivisions (a), (b), and
6 (c). The Commission shall not increase the gift limitation amount
7 more than once in an odd-numbered year or by an amount that
8 exceeds changes reflected in the Consumer Price Index.

9 (g) (1) In addition to the gift limitation amount set forth in this
10 section, a candidate for elective state office, an elected state officer,
11 or a legislative official shall not accept a gift of tickets or the
12 equivalent of tickets to any of the following events or venues:

13 (A) A professional concert or other professional entertainment
14 event.

15 (B) A professional sporting event.

16 (C) An amateur sporting event for which the value of the ticket
17 received exceeds fifty dollars (\$50).

18 (D) A racetrack event.

19 (E) A theme park, amusement park, or other similar venue.

20 (F) An amateur theater, concert, or other entertainment event
21 for which the value of the ticket received exceeds fifty dollars (\$50).

22 (2) For purposes of this subdivision, “professional” means an
23 event with performers who are compensated for the event or who
24 engage in the performance activity as their vocation.

25 (h) In addition to the gift limitation amount set forth in this
26 section, a candidate for elective state office, an elected state officer,
27 or a legislative official shall not accept a gift of any of the
28 following:

29 (1) Golfing green fees, complimentary golf course access, or
30 the equivalent.

31 (2) Skiing, hunting, or fishing trips or other recreational outings.

32 (3) Spa treatments, spa access fees, or other equivalent
33 complimentary beauty or cosmetic services.

34 (4) Cash, gift cards, or cash equivalents.

35 ~~(g)~~

36 (i) The limitations in this section are in addition to the limitations
37 on gifts in Section 86203.

38 SEC. 3. 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. 4. The Legislature finds and declares that this bill furthers*
8 *the purposes of the Political Reform Act of 1974 within the meaning*
9 *of subdivision (a) of Section 81012 of the Government Code.*

10 ~~SECTION 1. It is the intent of the Legislature to enact~~
11 ~~legislation that would review and make changes to the Political~~
12 ~~Reform Act of 1974.~~