

AMENDED IN SENATE JUNE 20, 2016

AMENDED IN ASSEMBLY JANUARY 14, 2016

AMENDED IN ASSEMBLY JANUARY 12, 2016

AMENDED IN ASSEMBLY JANUARY 7, 2016

AMENDED IN ASSEMBLY MAY 21, 2015

AMENDED IN ASSEMBLY APRIL 14, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

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**ASSEMBLY BILL**

**No. 700**

**Introduced by Assembly Members Gomez and Levine**

February 25, 2015

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An act to amend Sections 84305, 84310, 84501, 84505, ~~and 84511~~ 84506.5, 84511, and 85704 of, to add Sections 84504.1, 84504.2, and 84504.3 to, to repeal Sections 84506, 84507, and 84508 of, and to repeal and add Sections 84502, 84503, 84504, and 84509 of, the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

AB 700, as amended, Gomez. Political Reform Act of 1974: ~~advertisement disclosures:~~ *campaign disclosures.*

(1) Existing law, the Political Reform Act of 1974, provides for the comprehensive regulation of campaign financing and activities. The act requires a committee that supports or opposes ballot measures to name and identify itself using a name or phrase that clearly identifies the economic or other special interests of its major donors of \$50,000 or more. The act also requires that if the major donors share a common employer, the identity of the employer be disclosed.

This bill would repeal these provisions.

*(2) The act prohibits a candidate, committee, or slate mailer organization from expending campaign funds to pay for specified telephone calls that advocate support of, or opposition to, a candidate, ballot measure, or both, unless the name of the organization that authorized or paid for the call is disclosed to the recipient of the call during the course of each call.*

*This bill would instead make these requirements applicable to a candidate, a candidate controlled committee, a political party committee, and a slate mailer organization that expends campaign funds to pay for such telephone calls.*

~~(2)~~

(3) The act also requires advertisements, as defined, to include prescribed disclosure statements, including, among others, a requirement that the disclosure statement include the names of the persons who made the 2 highest cumulative contributions, as defined, to the committee paying for the advertisement.

This bill would repeal and recast provisions of the act relating to advertisement disclosure statements. Among those changes, this bill would revise the definition of “advertisement” to exclude a number of communications, including communications paid for by a political party committee or person who is not a committee, and communications that involve wearing apparel, sky writing, and certain electronic media communications, as specified. The bill would also replace existing advertisement disclosure statements with newly prescribed disclosure statements that identify the name of the committee paying for the advertisement and the top contributors of the committee paying for the advertisement. The bill would define “top contributors” for purposes of these provisions as the persons from whom the committee paying for the advertisement received its 3 highest cumulative contributions, as specified. The bill would exempt certain committees, including committees that make independent expenditures totaling \$1,000 or more in a calendar year, from the requirement to disclose the top contributors in advertisement disclosure statements. The bill would also prescribe location and format criteria for the disclosure statements that is specific to radio and telephone, television and video, print, and electronic media advertisements.

*(4) The act prohibits a person from making a contribution as an intermediary on behalf of another person without disclosing to the recipient of the contribution specified information about both the*

*intermediary and the source of the contribution. The act also prohibits a person from making a contribution to a committee on the condition or with the agreement that it will be contributed to a particular candidate unless the contribution is disclosed in compliance with those requirements for contributions made by an intermediary.*

*This bill would revise the latter provision to prohibit a person from making a contribution to a committee or candidate that is earmarked for a contribution to another committee or candidate, unless the contribution is disclosed in compliance with the requirements for contributions made by an intermediary. The bill would also describe circumstances in which a contribution is deemed to be earmarked.*

(3)

(5) Because a violation of the act is punishable as a misdemeanor, this 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.

(4)

(6) The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act’s purposes upon a 2/3 vote of each house and compliance with specified procedural requirements.

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

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

State-mandated local program: yes.

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

1 SECTION 1. Section 84305 of the Government Code is  
2 amended to read:  
3 84305. (a) Except as provided in subdivision (b), ~~no candidate~~  
4 ~~or a candidate, candidate controlled committee, or political party~~  
5 committee shall *not* send a mass mailing unless the name, street  
6 address, and city of the candidate or committee are shown on the  
7 outside of each piece of mail in the mass mailing and on at least  
8 one of the inserts included within each piece of mail of the mailing  
9 in no less than 6-point type which shall be in a color or print which  
10 contrasts with the background so as to be easily legible. A post

1 office box may be stated in lieu of a street address if the  
 2 organization's candidate's, controlled committee's, or political  
 3 party committee's address is a matter of public record with the  
 4 Secretary of State.

5 (b) If the sender of the mass mailing is a single candidate or  
 6 committee, the name, street address, and city of the candidate or  
 7 committee need only be shown on the outside of each piece of  
 8 mail.

9 (c) If the sender of a mass mailing is a controlled committee,  
 10 the name of the person controlling the committee shall be included  
 11 in addition to the information required by subdivision (a).

12 (d) *For purposes of this section, the sender is the candidate or*  
 13 *committee who pays for the largest portion of expenditures*  
 14 *attributable to the designing, printing, and posting of the mailing*  
 15 *which are reportable under Sections 84200 to 84217, inclusive.*

16 (e) *For purposes of this section, to pay for a share of the cost*  
 17 *of a mass mailing means to make, to promise to make, or to incur*  
 18 *an obligation to make, any payment for either of the following:*

19 (1) *To any person for the design, printing, postage, materials*  
 20 *or other costs, including salaries, fees, or commissions, of the*  
 21 *mailing.*

22 (2) *As a fee or other consideration for an endorsement or, in*  
 23 *the case of a ballot measure, support or opposition in the mailing.*

24 SEC. 2. *Section 84310 of the Government Code is amended to*  
 25 *read:*

26 84310. (a) A candidate, *candidate controlled committee,*  
 27 *political party committee, or slate mailer organization*~~may~~ *shall*  
 28 not expend campaign funds, directly or indirectly, to pay for  
 29 telephone calls that are similar in nature and aggregate 500 or more  
 30 in number, made by an individual, or individuals, or by electronic  
 31 means and that advocate support of, or opposition to, a candidate,  
 32 ballot measure, or both, unless during the course of each call the  
 33 name of the *candidate, candidate controlled committee, political*  
 34 *party committee, or slate mailer organization* that authorized or  
 35 paid for the call is disclosed to the recipient of the call. Unless the  
 36 organization that authorized the call and in whose name it is placed  
 37 has filing obligations under this title, and the name announced in  
 38 the call either is the full name by which the organization or  
 39 individual is identified in any statement or report required to be  
 40 filed under this title or is the name by which the organization or

1 individual is commonly known, the candidate, committee, or slate  
2 mailer organization that paid for the call shall be disclosed. This  
3 section shall not apply to telephone calls made by the candidate,  
4 the campaign manager, or individuals who are volunteers.

5 (b) Campaign and ballot measure committees are prohibited  
6 from contracting with any phone bank vendor that does not disclose  
7 the information required to be disclosed by subdivision (a).

8 (c) A candidate, committee, or slate mailer organization that  
9 pays for telephone calls as described in subdivision (a) shall  
10 maintain a record of the script of the call for the period of time set  
11 forth in Section 84104. If any of the calls qualifying under  
12 subdivision (a) were recorded messages, a copy of the recording  
13 shall be maintained for that period.

14 ~~SECTION 1.~~

15 *SEC. 3.* Section 84501 of the Government Code is amended  
16 to read:

17 84501. For purposes of this article the following terms have  
18 the following meanings:

19 (a) (1) "Advertisement" means any general or public  
20 communication which is authorized and paid for by a committee  
21 for the purpose of supporting or opposing a candidate or candidates  
22 for elective office or a ballot measure or ballot measures.

23 (2) "Advertisement" does not include any of the following:

24 (A) A communication paid for by a political party committee  
25 or a candidate controlled committee established for *an* elective  
26 office for the controlling candidate.

27 (B) A communication from an organization, other than a political  
28 party, to its members.

29 (C) A campaign button smaller than 10 inches in diameter; a  
30 bumper sticker smaller than 60 square inches; or a small tangible  
31 promotional item, such as a pen, pin, or key chain, upon which the  
32 disclosures required by this article cannot be conveniently printed  
33 or displayed.

34 (D) Wearing apparel.

35 (E) Sky writing.

36 (F) An electronic media communication ~~where~~ *if* inclusion of  
37 the disclosures required by ~~Sections~~ *Section* 84502, 84503, or  
38 84506.5, is impracticable or would severely interfere with the  
39 committee's ability to convey the intended message because of  
40 the nature of the technology used to make the communication.

1 (G) Any other ~~advertisement~~ *communication* as determined by  
2 regulations of the Commission.

3 (b) “Cumulative contributions” means the cumulative amount  
4 of contributions received by a committee beginning 12 months  
5 prior to the date of the expenditure and ending seven days before  
6 the time the advertisement is sent to the printer or broadcaster.

7 (c) (1) “Top contributors” means the persons from whom the  
8 committee paying for an advertisement has received its three  
9 highest cumulative contributions of fifty thousand dollars (\$50,000)  
10 or more.

11 (2) If two or more contributors of identical amounts qualify as  
12 top contributors, the most recent contributor of that amount shall  
13 be listed as the top contributor in any disclosure required by Section  
14 84503.

15 (3) If a contributor appears to qualify as a top contributor but  
16 received earmarked funds to make the contribution, the person or  
17 committee that earmarked the funds and gave those funds to the  
18 contributor shall instead be disclosed as the top contributor if they  
19 qualified as such. The person or committee transferring earmarked  
20 funds shall disclose the true source of the funds to the committee  
21 receiving the earmarked funds at the time the funds are transferred.  
22 Funds are “earmarked” in the following circumstances:

23 (A) The contributor solicited and received the funds from donors  
24 for the purpose of making a contribution to the committee paying  
25 for the advertisement.

26 (B) The funds were given to the contributor subject to a  
27 condition, agreement, or understanding with the donor that all or  
28 a portion would be used to make a contribution to the committee  
29 paying for the advertisement, including any circumstance where  
30 the donor identifies the committee as a potential recipient of the  
31 contribution and the committee in fact receives all or a portion of  
32 the donor’s contribution.

33 (C) The contributor had existing funds from a donor and a  
34 subsequent agreement or understanding was reached with the donor  
35 that all or a portion of the funds would be used to contribute to the  
36 committee paying for the advertisement, including any  
37 circumstance where the donor identifies the committee as a  
38 potential recipient of the contribution and the committee in fact  
39 receives all or a portion of the donor’s contribution.

1 ~~SEC. 2.~~

2 *SEC. 4.* Section 84502 of the Government Code is repealed.

3 ~~SEC. 3.~~

4 *SEC. 5.* Section 84502 is added to the Government Code, to  
5 read:

6 84502. (a) Any advertisement paid for by a committee pursuant  
7 to subdivision (a) of Section 82013 shall include the words “Paid  
8 for by” followed ~~by~~ *by, in all capital letters*, the name of the  
9 committee as it appears on the most recent Statement of  
10 Organization filed pursuant to Section 84101.

11 (b) Any advertisement paid for by a committee ~~as defined by~~  
12 *pursuant to* subdivision (b) or (c) of Section 82013 shall include  
13 the words “Paid for by” followed ~~by~~ *by, in all capital letters*, the  
14 name that the filer is required to use on campaign statements  
15 pursuant to subdivision (o) of Section 84211.

16 ~~SEC. 4.~~

17 *SEC. 6.* Section 84503 of the Government Code is repealed.

18 ~~SEC. 5.~~

19 *SEC. 7.* Section 84503 is added to the Government Code, to  
20 read:

21 84503. (a) Any advertisement paid for by a committee pursuant  
22 to subdivision (a) of Section 82013 shall include the words “This  
23 committee has major funding from” followed by the names of the  
24 top contributors to the committee paying for the advertisement. If  
25 fewer than three contributors qualify as top contributors, only those  
26 contributors that qualify shall be disclosed pursuant to this section.  
27 If there are no contributors that qualify as top contributors, this  
28 disclosure is not required. If the content of the *radio* advertisement  
29 *or telephonic message* names each of the top contributors as major  
30 funding sources of the committee, this disclosure is not required.

31 (b) The disclosure of a top contributor pursuant to this section  
32 need not include legal terms such as “incorporated,” “committee,”  
33 “political action committee,” or “corporation,” or abbreviations  
34 of these terms, unless the term is part of the contributor’s name in  
35 common usage or parlance.

36 (c) If this article requires the disclosure of the name of a top  
37 contributor that is a committee pursuant to subdivision (a) of  
38 Section 82013 and is a sponsored committee pursuant to *Section*  
39 82048.7 with a single sponsor, only the name of the single  
40 sponsoring organization shall be disclosed.

1 (d) This section does not apply to a committee as defined by  
2 subdivision (b) or (c) of Section 82013 or a political party  
3 committee.

4 ~~SEC. 6.~~

5 *SEC. 8.* Section 84504 of the Government Code is repealed.

6 ~~SEC. 7.~~

7 *SEC. 9.* Section 84504 is added to the Government Code, to  
8 read:

9 84504. (a) An advertisement that is disseminated over the  
10 radio or by telephonic means shall include the disclosures required  
11 by Sections 84502, 84503, and 84506.5 at the beginning or end of  
12 the advertisement, read in a clearly spoken manner and in a pitch  
13 and tone substantially similar to the rest of the advertisement, and  
14 shall last no less than three seconds.

15 (b) Notwithstanding the definition of “top contributors” in  
16 paragraph (1) of subdivision (c) of Section 84501, radio and  
17 prerecorded telephonic advertisements shall be required to disclose  
18 only the single top contributor of fifty thousand dollars (\$50,000)  
19 or more.

20 ~~SEC. 8.~~

21 *SEC. 10.* Section 84504.1 is added to the Government Code,  
22 to read:

23 84504.1. (a) An advertisement that is disseminated as a video,  
24 including advertisements on television and videos disseminated  
25 over the Internet, shall include the disclosures required by Sections  
26 84502 and 84503 at the beginning or end of the advertisement.

27 (b) The disclosure required by subdivision (a) shall be written  
28 and displayed for at least five seconds of a broadcast of thirty  
29 seconds or less or for at least ten seconds of a broadcast that lasts  
30 longer than thirty seconds.

31 (1) The written disclosure required by subdivision (a) shall  
32 appear on a solid black background on the entire bottom one-third  
33 of the television or video display screen and shall be in a  
34 contrasting color in Arial equivalent type, and the type size for the  
35 tallest letters in the written disclosure shall be exactly 4 percent  
36 of the height of the television or video display screen. The top  
37 contributors, if any, shall each be disclosed on a separate horizontal  
38 line, in descending order, beginning with the top contributor who  
39 made the largest cumulative contributions on the first line. The  
40 name of each of the top contributors shall be centered horizontally.

1 If the names of the top three contributors exceed or cause the  
2 disclosure to exceed one-third of the television or video display  
3 screen, the percent of the height of the type size shall be reduced  
4 to the minimum amount necessary to provide for full disclosure  
5 of the top contributors. The written disclosures required by Sections  
6 84502 and 84503 shall be underlined, except for the names of the  
7 top contributors, if any.

8 (2) ~~Committees~~—A *committee* subject to Section 84223 shall  
9 include the text “Funding Details At [insert Commission Internet  
10 Web site with information required to be posted by subdivision  
11 (c) of Section 84223].” The text shall be in contrasting color in  
12 Arial equivalent type and the type size shall be equivalent to at  
13 least 2.5 percent of the height of the television or video display  
14 screen.

15 (3) If using a type size of 4 percent of the height of the television  
16 or video display screen causes the name of any of the top  
17 contributors to exceed the width of the screen, the type sizes of  
18 the name of the contributor that exceeds the width of the screen  
19 shall be reduced until it fits on the width of the screen, but in no  
20 case shall the type size be smaller than 2.5 percent of the height  
21 of the screen.

22 ~~SEC. 9.~~

23 *SEC. 11.* Section 84504.2 is added to the Government Code,  
24 to read:

25 84504.2. (a) A print advertisement shall include the disclosures  
26 required by Sections 84502, 84503, and 84506.5, displayed as  
27 follows:

28 (1) The disclosure area shall have a solid white background and  
29 shall be in a printed or drawn box on the bottom of at least one  
30 page that is set apart from any other printed matter. All text in the  
31 disclosure area shall be in contrasting color.

32 (2) The text shall be in an Arial equivalent type with a type size  
33 of at least 10-point for printed advertisements designed to be  
34 individually distributed, including, but not limited to, mailers,  
35 flyers, and door hangers.

36 (3) The top contributors, if any, shall each be disclosed on a  
37 separate horizontal line, in descending order, beginning with the  
38 top contributor who made the largest cumulative contributions on  
39 the first line. The name of each of the top contributors shall be  
40 centered horizontally in the disclosure area.

1 (4) Immediately below the text described in paragraph (3),  
 2 committees subject to Section 84223 shall include the text  
 3 “Funding Details At [insert Commission Internet Web site with  
 4 information required to be posted by subdivision (c) of Section  
 5 84223].” The text shall be in an Arial equivalent type with a type  
 6 size of at least 10-point for printed advertisements designed to be  
 7 individually distributed, ~~including~~ *including*, but not limited to,  
 8 mailers, ~~flyers~~ *flyers*, and door hangers.

9 (b) Notwithstanding paragraphs (2) and (4) of subdivision (a),  
 10 the disclosure on a printed advertisement that is larger than those  
 11 designed to be individually distributed, including, but not limited  
 12 to, yard signs or billboards, shall be in Arial equivalent type with  
 13 a type size of at least 10 percent of the height of the advertisement,  
 14 and printed on a solid background with sufficient contrast that is  
 15 easily readable by the average person.

16 (c) Notwithstanding the definition of “top contributors” in  
 17 paragraph (1) of subdivision (c) of Section 84501, newspaper,  
 18 magazine, or other public print advertisements that are 20 square  
 19 inches or less shall be required to disclose only the single top  
 20 contributor of fifty thousand dollars (\$50,000) or more.

21 ~~SEC. 10.~~

22 *SEC. 12.* Section 84504.3 is added to the Government Code,  
 23 to read:

24 84504.3. (a) An electronic media advertisement shall do all  
 25 of the following:

26 (1) Contain the disclosures required by Sections 84502, 84503,  
 27 and 84506.5 in a type size and font that is ~~easily readable by the~~  
 28 ~~average viewer~~, *clear and conspicuous*, visible for a period of at  
 29 least four seconds and contrasts with the background so as to be  
 30 easily readable by the average person, unless ~~impractical.~~  
 31 *impractical or would severely interfere with a committee’s ability*  
 32 *to convey the intended message because of the nature of the*  
 33 *technology used to make the communication. The Commission*  
 34 *may prescribe by regulation minimal disclaimer requirements if*  
 35 *inclusion of the full disclaimer is deemed impractical.*

36 (2) Hyperlink to an Internet Web site containing the text required  
 37 by paragraph (1).

38 (b) An Internet Web site that is hyperlinked to as provided for  
 39 in paragraph (2) of subdivision (a) shall remain online and available  
 40 to the public until 30 days after the date of the election ~~where in~~

1 *which* the candidate or *ballot* measure supported or opposed by  
2 the advertisement was voted upon.

3 (c) An advertisement made via a form of electronic media that  
4 is audio only and therefore cannot include either of the disclaimers  
5 in subdivision (a) shall comply with the disclaimer requirements  
6 for radio advertisements in Section 84504.

7 (d) An advertisement made via a form of electronic media that  
8 allows users to engage in discourse and post content, or any other  
9 type of social media, shall only be required to include the  
10 disclaimer required by subdivision (a) on the committee's home  
11 page, landing page, or similar location and shall not be required  
12 to include the disclaimer required by subdivision (a) on each  
13 individual post, comment, or other similar communication.

14 (e) The disclaimer required by this section does not apply to  
15 advertisements made via social media where the only expense or  
16 cost of the communication is compensated staff time unless the  
17 social media account where the content is posted was created only  
18 for the purpose of advertisements governed by this title.

19 ~~SEC. 11.~~

20 *SEC. 13.* Section 84505 of the Government Code is amended  
21 to read:

22 84505. (a) In addition to the requirements of Sections 84502,  
23 84503, and 84506.5, the committee placing the advertisement or  
24 persons acting in concert with that committee shall be prohibited  
25 from creating or using a noncandidate-controlled committee or a  
26 nonsponsored committee to avoid, or that results in the avoidance  
27 of, the disclosure of any individual, industry, business entity,  
28 controlled committee, or sponsored committee as a top contributor.

29 (b) Written disclosures required by Sections ~~84502, 84503,~~  
30 84503 and 84506.5 shall not appear in all capital letters provided,  
31 however, capital letters shall be permitted for the beginning of a  
32 sentence, the beginning of a proper name or location, or as  
33 otherwise required by conventions of the English language.

34 ~~SEC. 12.~~

35 *SEC. 14.* Section 84506 of the Government Code is repealed.

36 *SEC. 15.* *Section 84506.5 of the Government Code is amended*  
37 *to read:*

38 84506.5. (a) An advertisement supporting or opposing a  
39 candidate that is paid for by an independent expenditure must  
40 include the following statement *in 14-point font*: This advertisement

1 was not authorized or paid for by a candidate for this office or a  
2 committee controlled by a candidate for this office.

3 (b) ~~In addition to the requirements of Section 84507, a~~ mailed  
4 advertisement subject to this section shall also comply with each  
5 of the following:

6 (1) The disclosure statement in subdivision (a) shall be located  
7 within one quarter of an inch of the recipient's name and address  
8 as printed on the advertisement.

9 (2) The text of the disclosure statement shall be contained in a  
10 box with an outline that has a line weight of at least 3.25 pt. The  
11 background color of the box shall be in a contrasting color to the  
12 background of the advertisement. The outline of the box shall be  
13 in a contrasting color to both the background color of the  
14 advertisement and the background color of the box. The color of  
15 the text shall be in a contrasting color to the background color of  
16 the box.

17 ~~SEC. 13.~~

18 *SEC. 16.* Section 84507 of the Government Code is repealed.

19 ~~SEC. 14.~~

20 *SEC. 17.* Section 84508 of the Government Code is repealed.

21 ~~SEC. 15.~~

22 *SEC. 18.* Section 84509 of the Government Code is repealed.

23 ~~SEC. 16.~~

24 *SEC. 19.* Section 84509 is added to the Government Code, to  
25 read:

26 84509. If the order of top contributors required to be disclosed  
27 pursuant to this article changes or a new contributor qualifies as  
28 a top contributor, the disclosure in the advertisement shall be  
29 updated as follows:

30 (a) A television, radio, telephone, electronic billboard, or other  
31 electronic media advertisement shall be updated to reflect the new  
32 top contributors within seven business days, or five business days  
33 if the change in top contributors occurs within 30 days of an  
34 election.

35 (b) A print media advertisement, including nonelectronic  
36 billboards, shall be updated to reflect the new top contributors  
37 prior to placing a new or modified order for additional printing of  
38 the advertisement.

1     ~~SEC. 17.~~

2     *SEC. 20.* Section 84511 of the Government Code is amended  
3 to read:

4     84511. (a) This section applies to a committee that does either  
5 of the following:

6         (1) Makes an expenditure of five thousand dollars (\$5,000) or  
7 more to an individual for his or her appearance in an advertisement  
8 that supports or opposes the qualification, passage, or defeat of a  
9 ballot measure.

10        (2) Makes an expenditure of any amount to an individual for  
11 his or her appearance in an advertisement that supports or opposes  
12 the qualification, passage, or defeat of a ballot measure and that  
13 states or suggests that the individual is a member of an occupation  
14 that requires licensure, certification, or other specialized,  
15 documented training as a prerequisite to engage in that occupation.

16        (b) A committee described in subdivision (a) shall file, within  
17 10 days of the expenditure, a report that includes all of the  
18 following:

19           (1) An identification of the measure that is the subject of the  
20 advertisement.

21           (2) The date of the expenditure.

22           (3) The amount of the expenditure.

23           (4) The name of the recipient of the expenditure.

24           (5) For a committee described in paragraph (2) of subdivision  
25 (a), the occupation of the recipient of the expenditure.

26        (c) An advertisement paid for by a committee described in  
27 paragraph (1) of subdivision (a) shall include a disclosure statement  
28 stating “(spokesperson’s name) is being paid by this campaign or  
29 its donors” in highly visible font shown continuously if the  
30 advertisement consists of printed or televised material, or spoken  
31 in a clearly audible format if the advertisement is a radio broadcast  
32 or telephonic message. If the advertisement is a television or video  
33 advertisement, the statement shall be shown continuously, except  
34 when the disclosure statement required by Section 84504.1 is being  
35 shown.

36        (d) (1) An advertisement paid for by a committee described in  
37 paragraph (2) of subdivision (a) shall include a disclosure statement  
38 stating “Persons portraying members of an occupation in this  
39 advertisement are compensated spokespersons not necessarily  
40 employed in those occupations” in highly visible font shown

1 continuously if the advertisement consists of printed or televised  
 2 material, or spoken in a clearly audible format if the advertisement  
 3 is a radio broadcast or telephonic message.

4 (2) A committee may omit the disclosure statement required by  
 5 this subdivision if all of the following are satisfied with respect to  
 6 each individual identified in the report filed pursuant to subdivision  
 7 (b) for that advertisement:

8 (A) The occupation identified in the report is substantially  
 9 similar to the occupation portrayed in the advertisement.

10 (B) The committee maintains credible documentation of the  
 11 appropriate license, certification, or other training as evidence that  
 12 the individual may engage in the occupation identified in the report  
 13 and portrayed in the advertisement and makes that documentation  
 14 immediately available to the Commission upon request.

15 *SEC. 21. Section 85704 of the Government Code is amended*  
 16 *to read:*

17 85704. (a) A person ~~may~~ shall not make any contribution to  
 18 ~~a committee on the condition or with the agreement that it will be~~  
 19 ~~contributed to any particular~~ any committee or candidate that is  
 20 earmarked for a contribution to any other committee or candidate  
 21 unless the contribution is fully disclosed pursuant to Section 84302.

22 (b) For purposes of this section a contribution is earmarked if  
 23 the contribution is made under any of the following circumstances:

24 (1) The committee or candidate receiving the contribution  
 25 solicited the contribution for the purpose of making a contribution  
 26 to another committee or candidate and requested the contributor  
 27 to consent to such use.

28 (2) The contribution was made subject to a condition,  
 29 agreement, or understanding with the contributor that all or a  
 30 portion of the contribution would be used to make a contribution  
 31 to another committee or candidate, including any circumstance  
 32 in which the contributor identifies the committee or candidate as  
 33 a potential recipient of the contribution and the committee or  
 34 candidate in fact receives all or a portion of the contributor's  
 35 contribution.

36 (3) After the contribution was made, the contributor and the  
 37 committee or candidate receiving the contribution reaching a  
 38 subsequent agreement or understanding that all or a portion of  
 39 the contribution would be used to make a contribution to another  
 40 committee or candidate, including any circumstance in which the

1 *contributor identifies the committee or candidate as a potential*  
2 *recipient of the contribution and the committee or candidate in*  
3 *fact receives all or a portion of the contributor's contribution.*

4 ~~SEC. 18.~~

5 *SEC. 22.* No reimbursement is required by this act pursuant to  
6 Section 6 of Article XIII B of the California Constitution because  
7 the only costs that may be incurred by a local agency or school  
8 district will be incurred because this act creates a new crime or  
9 infraction, eliminates a crime or infraction, or changes the penalty  
10 for a crime or infraction, within the meaning of Section 17556 of  
11 the Government Code, or changes the definition of a crime within  
12 the meaning of Section 6 of Article XIII B of the California  
13 Constitution.

14 ~~SEC. 19.~~

15 *SEC. 23.* The Legislature finds and declares that this bill  
16 furthers the purposes of the Political Reform Act of 1974 within  
17 the meaning of subdivision (a) of Section 81012 of the Government  
18 Code.

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