

REGULATIONS PROPOSED TO BE CODIFIED – MOCK UP

1. Section 81005 of the Government Code is added, to read:

81005. Codifying Reg. 18116.

(a) If this title requires that a statement or report be filed before or on a specified date or during or within a specified period, and the deadline falls on a Saturday, Sunday, or official state holiday, the filing deadline for such a statement or report shall be extended to the next regular business day.

(b) This extension does not apply to either of the following:

(1) Contribution reports required by Section 84203, subdivision (b) of Section 84203.3, or Section 85309, or the contributor's notice of a late in-kind contribution required by subdivision (a) of Section 84203.3, when the due date for these types of reports falls on a Saturday, Sunday, or official state holiday immediately before an election.

(2) Independent expenditure reports required by Section 84204 or 85500.

2. Section 81010.5 of the Government Code is added, to read:

81010.5. Codifying Reg. 18117.

A filing officer or filing official's failure to comply with a duty or to provide notice of a filing or disclosure obligation does not affect a person's duty to file statements and reports disclosing information as required by this title or any enforceable conflict of interest code.

3. Section 85311 of the Government Code is repealed and recast as Section 82015.5 of the Government Code, is added, to read:

85311. Codifying Reg. 18215.1.

~~(a) For purposes of the contribution limits of this chapter, the following terms have the following meanings:~~

~~(1) "Entity" means any person, other than an individual.~~

~~(2) "Majority owned" means an ownership of more than 50 percent.~~

~~(b) The contributions of an entity whose contributions are directed and controlled by any individual shall be aggregated with contributions made by that individual and any other entity whose contributions are directed and controlled by the same individual.~~

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~~(c) If two or more entities make contributions that are directed and controlled by a majority of the same persons, the contributions of those entities shall be aggregated.~~

~~(d) Contributions made by entities that are majority owned by any person shall be aggregated with the contributions of the majority owner and all other entities majority owned by that person, unless those entities act independently in their decisions to make contributions.~~

82015.5.

To determine when contributions are aggregated under this title, "entity" means any person other than an individual, and "majority-owned" means ownership of more than 50 percent.

(a) If an individual directs and controls an entity's contributions, the entity's contributions shall be aggregated with contributions made by both of the following:

(1) That individual.

(2) Any other entity whose contributions that individual directs and controls.

(b) If two or more entities make contributions that are directed and controlled by a majority of the same persons, the contributions of those entities shall be aggregated.

(c) Contributions made by entities that are majority-owned by a person shall be aggregated with the contributions of the majority owner and all other entities majority-owned by that person, unless those entities act independently in their decisions to make contributions.

4. Section 82048.8 of the Government Code is added, to read:

82048.8. Codifying Reg. 18229.

"Spouse" includes registered domestic partners recognized by state law.

5. Section 82007 of the Government Code is repealed and recast, to read:

82007. Codifying Reg. 18404.

~~“Candidate” means an individual who is listed on the ballot or who has qualified to have write-in votes on his or her behalf counted by election officials, for nomination for or election to any elective office, or who receives a contribution or makes an expenditure or gives his or her consent for any other person to receive a contribution or make an expenditure with a view to bringing about his or her nomination or election to any elective office, whether or not the specific elective office for which he or she will seek nomination or election is known at the time~~

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~~the contribution is received or the expenditure is made and whether or not he or she has announced his or her candidacy or filed a declaration of candidacy at such time. "Candidate" also includes any officeholder who is the subject of a recall election. An individual who becomes a candidate shall retain his or her status as a candidate until such time as that status is terminated pursuant to Section 84214. "Candidate" does not include any person within the meaning of Section 301(b) of the Federal Election Campaign Act of 1971.~~

82007.

(a) "Candidate" means any of the following:

(1) Anyone who is listed on a ballot or is qualified to have write-in votes on his or her behalf counted by election officials for nomination or election to any elective office.

(2) Anyone who receives a contribution, makes an expenditure, or gives his or her consent for another person to receive a contribution or make an expenditure, to bring about his or her nomination or election to an elective office. That person is a candidate even if any of the following apply:

(A) The specific elective office for which he or she will seek nomination or election is unknown at the time the contribution is received or the expenditure is made.

(B) The person has not announced the candidacy or filed a declaration of candidacy.

(3) An elected officer, including any elected officer who is the subject of a recall.

(b) Anyone who becomes a candidate retains candidate status until that status is terminated under Section 84214.

(c) "Candidate" does not include any candidate, as defined in Section 30101(2) of Title 52 of the United States Code, for federal office, as to his or her activities related to seeking nomination or election to that federal office.

6. Section 84100 of the Government Code is amended, to read:

84100. Codifying Reg. 18426.1.

(a) Every *recipient* committee shall have a treasurer. *An* expenditure shall be made by or on behalf of a committee without the authorization of the treasurer or ~~that of his or her~~ *the treasurer's* designated agents. ~~No~~ *A* contribution or expenditure shall *not* be accepted or made by or on behalf of a committee *if the office of treasurer is vacant.* ~~at a time when there is a vacancy in the office of treasurer.~~

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(b) A recipient committee may designate one assistant treasurer on the committee's statement of organization. The assistant treasurer may sign and verify a campaign statement on behalf of the committee if the assistant uses reasonable diligence to prepare and review it and signs to that effect under penalty of perjury as required by Section 81004.

7. Section 84105 of the Government Code is repealed and recast, to read:

84105. Codifying Reg. 18427.1.

~~A candidate or committee that receives contributions of five thousand dollars (\$5,000) or more from any person shall inform the contributor within two weeks of receipt of the contributions that he or she may be required to file campaign reports, and shall include a reference to the filing requirements for multipurpose organizations under Section 84222. However, a candidate or committee that receives a contribution of ten thousand dollars (\$10,000) or more from any person during any period in which late contribution reports are required to be filed pursuant to Section 84203 shall provide the information to the contributor within one week. The notification required by this section is not required to be sent to any contributor who has an identification number assigned by the Secretary of State issued pursuant to Section 84101.~~

84105.

(a) A candidate or committee that receives contributions totaling five thousand dollars (\$5,000) or more from a person in a calendar year shall inform that contributor within two weeks of receipt that the contributor may be required to file campaign reports. The notice shall include a reference to the filing requirements for multipurpose organizations under Section 84222.

(b) A candidate or committee that receives a contribution of ten thousand dollars (\$10,000) or more from a person during a period in which late-contribution reports are required to be filed under Section 84203 shall provide the information in subdivision (a) to the contributor within one week.

(c) The notification required by this section need not be sent to a contributor who has an identification number assigned by the Secretary of State issued under Section 84101.

8. Section 82038.3 of the Government code is added, to read:

82038.3. Codifying Reg. 18616.4.

(a) "Lobbying coalition" means a group of 10 or more persons formed primarily to influence legislative or administrative action, whose members make payments to the coalition for sharing the expenses of employing a lobbyist or contracting for the services of a lobbying firm.

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(b) A lobbying coalition is subject to the same registration and filing requirements as a lobbyist employer.

(c) A bona fide federation, confederation, or trade, labor, or membership organization is not a lobbying coalition if it is ongoing in nature and its membership services are not limited to influencing legislative or administrative action.

(d) A person making payments to a lobbying coalition does not qualify as a lobbying firm or lobbyist employer as a result of those payments.

9. Section 86100 of the Government Code is repealed and recast, to read:

86100. Codifying Reg. 18616.4.

~~(a) Individual lobbyists shall prepare lobbyist certifications pursuant to Section 86103 for filing with the Secretary of State as part of the registration of the lobbying firm in which the lobbyist is a partner, owner, officer, or employee or as part of the registration of the lobbyist employer by which the lobbyist is employed.~~

~~(b) Lobbying firms shall register with the Secretary of State.~~

~~(c) Lobbyist employers as defined in subdivision (a) of Section 82039.5 shall register with the Secretary of State.~~

~~(d) Lobbyist employers as defined in subdivision (b) of Section 82039.5 and persons described in subdivision (b) of Section 86115 are not required to register with the Secretary of State but shall file statements pursuant to this article.~~

~~(e) A registration statement shall be filed both by online or electronic means and physically, submitting the original statement and one copy, in paper format.~~

86100.

(a) The following persons shall register with the Secretary of State:

(1) Lobbying firms.

(2) Lobbyist employers under subdivision (a) of Section 82039.5 who employ one or more in-house lobbyists.

(3) Lobbying coalitions.

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(b) Each individual lobbyist shall submit a lobbyist certification under Section 86103 for filing with the Secretary of State as part of the registration of the lobbying firm in which the lobbyist is a partner, owner, officer, or employee, or as part of the registration of the lobbyist employer that employs the lobbyist.

(c) Lobbyist employers under subdivision (b) of Section 82039.5 who contract only for a lobbying firm's services, and five thousand dollar (\$5,000) filers are not required to register with the Secretary of State, but shall do both of the following:

(1) Complete a written authorization for a lobbying firm to engage in activities on its behalf, which shall be filed with the lobbying firm's registration.

(2) Maintain records and file quarterly reports under this chapter.

10. Section 86105 of the Government Code is amended, to read:

86105. Codifying Reg. 18616.4.

The registration ~~of~~for a lobbyist employer ~~shall~~who employs lobbyists and a lobbying coalition ~~must~~ include:

(a) The following information regarding the lobbyist employer or coalition:

(1) The employer's full name, business address, and telephone number ~~of the lobbyist employer.~~

~~(a) A list of the lobbyists who are employed by the lobbyist employer.~~

~~(b)(a) The lobbyist certification of each lobbyist employed by the lobbyist employer.~~

(2) Information sufficient to identify the nature and interests of the filer, including:

(A) If the filer is an individual, the name and address of the filer's employer, if any, or ~~his or her~~their principal place of business if the filer is self-employed, and a description of the business activity in which the filer or ~~his or her~~their employer is engaged.

(B) If the filer is a business entity, a description of the business activity in which it is engaged.

(C) If the filer is an industry, trade, or professional association, a description of the industry, trade, or profession which it represents including a specific description of any portion or faction of the industry, trade, or profession which the association exclusively or primarily represents and, if the association has ~~not~~no more than 50 members, the names of the members.

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(D) If the filer is not an individual, business entity, or industry, trade, or professional association, a statement of the person's nature and purposes, including a description of any industry, trade, profession, or other group with a common economic interest which the person principally represents or from which its membership or financial support is principally derived.

(3) The lobbyist employer's or coalition's lobbying interests ~~of the lobbyist employer, and a~~

(4) A list of the state agencies whose legislative or administrative actions the lobbyist employer or coalition will attempt to influence.

(b) The lobbyist employer or coalition must provide:

(1) A list of the lobbyists who are employed by the lobbyist employer or coalition.

(2) The lobbyist certification of each lobbyist employed.

(c) Any other information required by the Commission consistent with ~~the~~ this chapter's purposes and provisions ~~of this chapter.~~

11. Section 87206.5 of the Government Code is added, to read:

87206.5. Codifying Reg. 18729.

(a) If an official must disclose a leasehold interest, the official shall do all of the following:

(1) Identify the interest as a leasehold interest.

(2) Disclose the number of years remaining on the lease.

(3) Provide the leased property's address or other precise location.

(4) Provide the exact date the lease became effective or terminated if the lease became effective or terminated during the period covered by the statement.

(5) Disclose the value of the leasehold interest as specified in subdivision (d) of Section 87206.

12. Section 89503.5 of the Government Code is added, to read:

89503.5. Codifying Reg. 18941.

A gift is both "received" and "accepted" when the public official, or the official's immediate family member, knowingly takes actual possession of the gift, is provided the benefit of the gift, or takes any action exercising direction or control over the gift.

13. Section 87313 of the Government Code is repealed and recast, to read:

87313. Codifying Reg. 18945.

~~No person shall make a gift of fifty dollars (\$50) or more in a calendar month on behalf of another, or while acting as the intermediary or agent of another to a person whom he knows or has reason to know may be required to disclose the gift pursuant to a conflict of interest code, without disclosing to the recipient of the gift both his own full name, street address, and business activity, if any, and the full name, street address, and business activity, if any, of the actual donor. The recipient of the gift shall include in his Statement of Economic Interests the full name, street address, and business activity, if any, of the intermediary or agent and the actual donor.~~

(a) The person who makes the gift to the official is the source of the gift unless that person is acting as an intermediary or agent.

(b) If a person makes a gift, as specified in this subdivision, on behalf of another or while acting as the intermediary or agent of another, to an individual who must disclose the gift on a statement of economic interests, the intermediary or agent shall disclose to the recipient both his or her own full name, street address, and business activity, if any, and the same information of the actual donor. The recipient shall disclose the information of both the intermediary or agent and the actual donor on his or her statement of economic interests. This applies to the following:

(1) Designated individuals, if the person makes a gift of fifty dollars (\$50) or more in a calendar month to anyone whom he or she knows or has reason to know may be required to disclose the gift under a conflict of interest code.

(2) High-level filers, if the person makes a gift of fifty dollars (\$50) or more in a calendar month to anyone listed in Section 87200.

14. Section 90002 of the Government Code is repealed and recast, to read:

90002. Codifying Reg. 18996.

~~(a) Audits and investigations of lobbying firms and lobbyist employers shall be performed on a biennial basis and shall cover reports filed during a period of two years.~~

~~(b) If a lobbying firm or lobbyist employer keeps a separate account for all receipts and payments for which reporting is required by this chapter, the requirement of an audit under subdivision (a) of Section 90001 shall be satisfied by an audit of that account and the supporting documentation required to be maintained by Section 86110.~~

(a) The scope of audits and investigations under Section 90001 is as follows:

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(1) Audits and investigations of lobbying firms and lobbyist employers of lobbyists shall be conducted biennially covering reports filed during the previous two-year period. If a lobbying firm or lobbyist employer keeps a separate account for all receipts and payments for which reporting is required by this chapter, the requirement of an audit under subdivision (a) of Section 90001 shall be satisfied by an audit of that account and the supporting documentation required to be maintained by Section 86110.

(2) For campaign statements or reports of a candidate, controlled committee, or committee primarily supporting or opposing a candidate, the audit or investigation shall cover all campaign statements and reports filed for the primary and general election, or a special or runoff election, as well as any previous campaign statements or reports filed since the last election for that office. The audit or investigation shall not include statements or reports previously audited under Section 90001 or 90003.

(3) Committees primarily formed for or against a measure. For campaign statements or reports of a committee primarily supporting or opposing a measure, the audit or investigation shall cover all campaign statements and reports filed by the committee in connection with the measure.

(4) For all other committees, the audit or investigation shall cover all campaign statements and reports filed during the previous two calendar years.

(b) The audit or investigation periods may be extended to include any transaction that relates to or is connected with the election being audited or investigated or the two-year period.

(c) An audit or investigation conducted under Section 90001 shall not include campaign statements or reports filed in conjunction with an election for any other office.

(d) This section shall not be interpreted to act as a limit on the Franchise Tax Board or the Commission in undertaking a discretionary audit under Section 90003.