



STATE OF CALIFORNIA  
FAIR POLITICAL PRACTICES COMMISSION  
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**To:** Chair Miadich, Commissioners Cardenas, Hatch, and Hayward

**From:** Phillip Ung, Director, Legislative and External Affairs

**Subject:** Legislation Report – September 2019

**Date:** September 9, 2019

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**Commission-sponsored Legislation**

Assembly Bills 909 (treasurer acknowledgement) and 946 (omnibus clean up) were both approved by the Senate and sent to the Assembly for a concurrence vote. Senate Bill 423 (committee bank accounts) has become a two-year bill. AB 903 (clean up) has been chaptered into law. Commission staff communicated the change of position from “sponsor” to “support” for AB 902 (codifying regulations).

**Pending Legislation**

The Commission is tracking 8 active bills proposed to amend the Political Reform Act. The Commission has adopted active positions on all 8 bills. Legislation currently being tracked by Commission staff and other related documents can be found on the [Commission’s Pending Legislation](#) page.

**Bills with Active Positions (#1-8)**

**1. [AB 201](#) (Cervantes): Campaign disclosure: mass text messages.**

FPPC Position: *Support if amended*

Status: Senate Floor – Third Reading File

Fiscal Impact: Minor and absorbable

Amended: August 29, 2019

Last Action: Amended; referred to Senate Third Reading File (8/30/2019)

**Summary:**

The Political Reform Act of 1974 requires electronic media advertisements, other than email messages or internet websites, paid for by a committee, other than a political party committee or a candidate-controlled committee established for an elective office of the controlling candidate, to comply with certain disclosure requirements.

This bill would require a candidate or committee to disclose the name of the candidate or committee in certain text message advertisements and provide a hyperlink in the text message to an internet website containing more information about the candidate or committee, as specified. If including this text message disclosure would be impracticable, the bill would instead permit inclusion of a specified identification number in the text message. The bill sets forth standards for the color and size of the text in the text message and the disclosures on the website.

Staff Comments:

On July 11, in response to concerns raised by the FPPC, the author amended the bill to require a committee that authorizes or pays for a text message advertisement to include disclosure of the name(s) of its top two contributors of \$50,000 immediately following the link or URL to the other required disclosures. If the required text of the top funders is impracticable, only the link or URL would be required. The amended bill also eliminates the provision that would have allowed for the use of committee ID numbers in lieu of a link or URL in certain circumstances.

In August, the Commission changed its “support” position to a “support if amended” position. The author and sponsor did not amend the bill in accordance with the Commission’s request. The August 29th amendments did the following:

1. Requires specific disclaimer language for disclosures using “with”;
2. Removed the examples of shorthand or parlance that could be used;
3. Requires the disclosure of only a single top contributor of \$50,000 or more if the disclosure required by AB 201 would exceed 35 characters;
4. Permits a “top contributor” to not be included in the “top funders” disclosure if the top contributor’s name is in the name of the committee;
5. Requires text messages sent by unpaid volunteers using mass distribution technology to include a statement that the text is being sent by a volunteer.

**2. [AB 220 \(Bonta\): Campaign funds: childcare costs.](#)**

FPPC Position: *Support*

Status: Senate Floor – Third Reading

Amended: August 27, 2019

Last Action: Amended; referred to Senate Third Reading File (8/28/19)

Summary:

The Political Reform Act prohibits the use of campaign funds to pay for professional services not directly related to a political, legislative, or governmental purpose. The Commission has previously advised that expenses incurred by a candidate in providing a baby-sitter for his or her children are reasonably related to a political purpose, but not directly related. (*Mahoney* Advice Letter, No. A-94-285.) As such, we advised that campaign fund expenditures on baby-sitting services are permissible if there is no substantial benefit to the candidate. In other words, if each baby-sitting payment is less than \$200 per event, the campaign fund expenditure is permissible.

This bill would authorize the use of campaign funds to pay for child care expenses resulting from a candidate or officeholder engaging in campaign activities or performing official duties.

Staff Comments:

On August 21, 2019, Assembly Member Bonta amended the bill to state that the bill must not be construed to limit the use of campaign funds to pay for childcare expenses resulting from an officeholder participating in both political and legislative or government activities. The amendments also include joinder provisions for Senate Bill 71 (Leyva).

**3. [AB 571](#) (Mullin): Contribution Limits.**

FPPC Position: *Support*

Status: Senate Floor – Third Reading File

Fiscal Estimate: \$920,023 first year, \$878,023 ongoing.

Amended: April 2, 2019

Last Action: Approved by Senate Appropriations Committee and referred to Senate Floor (08/30/19)

Summary:

The Act contains contribution limits and other restrictions related to contribution limits for state office and statewide offices. The Act specifies nothing in the law prevents the Legislature or local agency from adopting additional requirements, and nothing nullifies contribution limitations or prohibitions in local jurisdictions. All ordinances or other provisions adopted by local governments must be filed with the Commission.

The bill would establish a state-mandated contribution limit on city and county jurisdictions, which the Commission would be required to regulate and enforce. The state-mandated contribution limit is equal to the limits of state legislative candidates and would be adjusted for cost-of-living. Jurisdictions that adopt their own limit or have already established a limit would not be subject to the state limit established by this bill. This bill will become operative January 1, 2021.

Staff Comments

To adequately implement and enforce a statewide default contribution limit, the Commission would need to add 2 Political Reform Consultants II, 2 Senior Commission Counsel, 1 Special Investigator, and 1 Program Specialist II.

**4. [AB 864](#) (Mullin): Amendments to DISCLOSE Act**

FPPC Position: *Support*

Fiscal Estimate: No costs to the Commission

Status: Senate Floor – Third Reading File

Amended: August 30, 2019

Last Action: Amended; re-referred to Senate Third Reading File (08/30/19)

Summary:

The bill makes various substantive and non-substantive changes to the DISCLOSE Act:

1. The bill would exempt from the definition of “mass electronic mailing” communications that were solicited by recipients.
2. Within the exemption of advertisement for an electronic media communication, the bill would require a customer who has opted in to receive communications from a provider of goods or services to provide express approval to receive political messages from that provider of goods or services in order for the communication to be an exempt.

3. Clarifies disclosure requirements for large print advertisements larger than those designed to be individually distributed.
4. Further defines “online platform disclosed advertisements” and other clarifying amendments to AB 2188 (2018) Social Media DISCLOSE Act.
5. Corrects conflict from AB 249 related to electronic media advertisements and the applicable disclosures for political party committee and candidates committees who pay for independent expenditures or advertisement supporting or opposing a ballot measure.
6. Other non-substantive conforming, clarifying, and cross-reference corrections in the Act.

Staff Comments:

The August 29th amendments were joinder provisions (AB 201) and technical and clarifying changes.

**5. [AB 902](#) (Levine): Codify Commission Regulation.**

FPPC Position: *Support*

Status: Enrolled

Amended: August 13, 2019

Last Action: Approved by the Assembly concurring in Senate amendments; sent to engrossing and enrollment before being sent to the Governor (08/30/19)

Summary:

The Political Reform Act authorizes the Commission to adopt, amend, or rescind regulations to carry out the purposes and provisions of the Act and to govern the procedures of the Commission. Long-standing and generally accepted regulations become essential to proper administration of the Political Reform Act. There are several regulations the Commission staff has identified as being long-standing, non-controversial, and essential to complying the Act.

Staff Comments:

The August 13th amendments included technical and clarifying amendments requested by the Commission and the addition of a \$5,000 threshold for when a committee will need to update its top 10 contributors. Commission staff communicated the agency’s change of position to the author’s office from “sponsor” to “support.”

**6. [AB 909](#) (Gallagher): Treasurer Signature**

FPPC Position: *Sponsor*

Status: Assembly Floor - Concurrence

Amended: June 18, 2019

Last Action: Approved by the Senate, referred to Assembly for concurrence in Senate Amendments (07/11/19)

Summary:

This bill requires a treasurer or assistant treasurer identified on the Statement of Organization to sign a separate statement acknowledging that the person must comply with duties imposed by the Act and regulations and that violation of those duties could result in criminal, civil, or administrative penalties. Requires the Statement of Acknowledgment be filed with the Secretary of State at the same time as the Statement of Organization or an amendment identifying a new treasurer or assistant treasurer. This bill will become operative on July 1, 2020.

**7. [AB 946](#) (Assembly Elections Committee): Omnibus Non-substantive**

FPPC Position: *Sponsor*

Status: Assembly Floor - Concurrence

Last Action: Approved by the Senate; referred to Assembly for concurrence in Senate Amendments.

Summary:

This bill is the Commission's housekeeping bill repealing expired provisions of the Act no longer applicable or antiquated.

**8. [SB 71](#) (Leyva): Campaign expenditure limitations: harassment and discrimination**

FPPC Position: *Support if Amended*

Status: Assembly Floor – Consent Calendar

Fiscal Estimate: Minor and absorbable

Amended: May 17, 2019

Last Action: Referred to the Assembly Floor Consent Calendar (08/28/19)

Summary:

The legislation here is related to the Commission's rescission in March 2019 of the [Mendoza Advice Letter A-18-009](#). The bill, as amended, would expressly allow the expenditure of funds in a campaign committee account or legal defense fund account to pay for a candidate or elected official's defense against claims of sexual assault, sexual harassment, and sexual abuse. However, the candidate or elected official would be required to reimburse the committee account if he or she were ultimately "held liable for such a violation."

At the June 2018 meeting, in response to amendments to the bill, the Commission changed its position on the legislation from "sponsor" to "support if amended."

## Chaptered Bills (#9-11)

**9. [AB 903](#) (Levine): Minor and Clarifying Amendments to Political Reform Act.**

FPPC Position: *Sponsor*

Status: Chaptered

Amended: March 28, 2019

Last Action: Signed by the Governor. Chapter 102, Statutes of 2019. (07/12/19)

Summary:

This bill would clarify that communications paid for with public moneys by a state or local government agency, under certain conditions, are considered expenditures, as specified, and not included in the exception described above. Clarify the language in Section 84200.5 to eliminate confusing language leading to multiple potential interpretations. Clarify the disclosure of income from a gift or business entity include the street address of each source or entity.

**10. [AB 1043](#) (Irwin): Use of Campaign Funds; cybersecurity**

FPPC Position: *Support*

Status: Chaptered

Introduced: February 22, 2019

Last Action: Signed by the Governor. Chapter 46, Statutes of 2019. (07/01/19)

Summary:

The Political Reform Act generally prohibits the use of campaign funds for payment or reimbursement for the lease of real property or for the purchase, lease, or refurbishment of any appliance or equipment if the lessee or sub lessor is, or the legal title resides in, a specified individual, such as a candidate, elected officer, or a member of the candidate or officer's immediate family. Notwithstanding that prohibition, existing law authorizes the use of campaign funds to pay or reimburse the state for the costs of installing and monitoring an electronic security system in a candidate or elected officer's home or office.

This bill would authorize the expenditure of campaign funds to pay for, or reimburse the state for, the installation and monitoring of hardware, software, and services related to the cybersecurity of the electronic devices of a candidate, elected officer, or campaign worker. The bill would require a candidate or elected officer to report any expenditure of campaign funds for these purposes to the Fair Political Practices Commission in the candidate or elected officer's campaign statements.

**11. [SB 84](#) (Senate Budget and Fiscal Review Committee): Cal-Access Implementation Delay**

Status: Chaptered

Last Amended: June 4, 2019

Last Action: Signed by the Governor. Chapter 30, Statutes of 2019. (06/27/19)

Summary:

The Online Disclosure Act requires the Secretary of State, in consultation with the Commission, to develop and certify for public use an online filing and disclosure system for campaign

statements and reports that provides public disclosure of campaign finance and lobbying information in a user-friendly, easily understandable format meeting certain requirements. The Online Disclosure Act requires the Secretary of State to make this online filing and disclosure system available for use no later than February 1, 2019, with an extension to December 31, 2019, if the Secretary of State provides a specified report. This bill would extend the date for the Secretary of State to make the filing and disclosure system available for use to February 2021, with no provision allowing for an extension.

### **Bills Unlikely to Progress Further in 2019 (#12-23)**

#### **12. [AB 225](#) (Brough): Campaign funds: childcare costs.**

FPPC Position: *Support if Amended*

Status: Assembly Elections Committee

Last Action: Referred to Assembly Elections Committee (02/04/19)

#### **Summary:**

The Political Reform Act prohibits the use of campaign funds to pay for professional services not directly related to a political, legislative, or governmental purpose. The Commission has previously advised that expenses incurred by a candidate in providing a baby-sitter for his or her children are reasonably related to a political purpose, but not directly related. (*Mahoney* Advice Letter, No. A-94-285.) As such, we advised that campaign fund expenditures on baby-sitting services are permissible if there is no substantial benefit to the candidate. In other words, if each baby-sitting payment is less than \$200 per event, the campaign fund expenditure is permissible.

This bill would provide that campaign funds may be used to pay for child care provided for a candidate's dependent child if the costs are incurred as a direct result of campaign activity.

#### **13. [AB 322](#) (Gallagher): Electronic filing**

FPPC Position: *Support if Amended*

Status: Assembly Appropriations Committee – Suspense File

Fiscal Impact: Minor and absorbable to the Commission

Amended: March 20, 2019

Last Action: Referred to Assembly Appropriations Committee Suspense File (04/03/19)

#### **Summary:**

Would require a local government agency to post on its internet website a copy of any specified statement, report, or other document filed with that agency in paper format. This bill would require that the statement, report, or other document be made available for four years from the date of the election associated with the filing. By imposing a new duty on local government agencies, this bill would impose a state-mandated local program.

#### **Staff Comments:**

The Commission's position and recommended amendments were communicated to Assembly Member Gallagher's office. To date, we have not heard any feedback from Mr. Gallagher's



office about this specific bill. The bill is currently in the Asm. Appropriation Committee suspense file due to substantial state-mandated local costs.

**14. [AB 359](#) (Melendez): Revolving door prohibition; Members of the Legislature**

Status: Assembly Elections Committee

Last Action: Heard in Asm. Elections Committee; held without recommendation (04/10/19)

Summary:

The Political Reform Act of 1974 prohibits a Member of the Legislature, for a period of one year after leaving office, from acting as a compensated agent or attorney for, or otherwise representing, any other person by making appearances before, or communications with, the Legislature or its committees, Members, or officers or employees, if the appearance or communication is made for the purpose of influencing legislative action. If the Member resigns from office, this prohibition applies from the effective date of the resignation until one year after the adjournment sine die of the session in which the resignation occurred.

This bill would extend the time periods for these prohibitions for a Member of the Legislature to 5 years.

**15. [AB 626](#) (Quirk-Silva): Conflicts of Interest; Government Code 1090**

Status: Assembly Appropriations Committee

Fiscal Impact: Minor and absorbable

Amended: May 13, 2019

Last Action: Amended; referred to Asm. Appropriations Committee (05/13/19)

Summary:

Existing law prohibits members of the Legislature, and state, county, district, judicial district, and city officers or employees, from being financially interested in a contract, as specified, made by them in their official capacity or by any body or board of which they are members, subject to specified exceptions. Existing law prohibits an officer or employee from being deemed to have an interest in a contract if the person's interest is one of certain types.

This bill prohibits an officer or employee from being deemed interested in a contract, as described above, if the interest is that of an engineer, geologist, architect, land surveyor, or planner, performing specified services on a project, including preliminary design and preconstruction services, when proposing to perform services on a subsequent portion or phase of the project.

Staff Comments:

Staff has provided technical assistance to the sponsors of AB 626, the American Council of Engineering Companies.



**16. AB 1217 (Mullin): DISCLOSE Act – Issue and Electioneering Ads**

L&P Recommendation: *Support if Amended*

Fiscal Estimate: \$1,026,259 for first year and \$977,259 for ongoing

Status: Assembly Appropriations Committee – Suspense File

Amended: April 29, 2019

Last Action: Referred to Assembly Appropriations Committee Suspense File (05/08/19)

Summary:

The Political Reform Act requires specified disclosures in advertisements regarding the source of the advertisement. The Act defines “advertisement” for these purposes to mean a general or public communication that is authorized and paid for by a committee for the purpose of supporting or opposing a candidate or candidates for elective office or a ballot measure or ballot measures. The Act also requires certain advertisements paid for by certain committees to disclose the names of the top contributors, which is defined for these purposes to mean the persons from whom the committee paying for an advertisement has received its three highest cumulative contributions of \$50,000 or more.

This bill does the following:

1. Amends the definition of “advertisement” to include “electioneering communication,” “issue advocacy advertisement,” and “major advertiser.” The bill designates “top contributors” established under the Disclose Act as “top funders.” Also, defines “nondonor funds,” “small donor funds,” and “lobbying donor.”
2. Adds the definition of “lobbying-available donation” to mean a payment, a forgiveness of a loan, a payment of a loan by a third party, or an enforceable promise to make a payment, except if full and adequate consideration is received or if it is clear from the circumstances the payment is not made for lobbying purposes. Describes what is and is not a “lobbying-available donation.”
3. Would adopt disclaimer requirements of “major advertisers” and “top funders” of an issue advocacy advertisement totaling \$50,000 or more in a calendar year and require disclosure of three highest lobbying-available donations of \$10,000 or more, as specified.

Staff Comments

Assembly Bill 1217 would adopt disclaimer requirements for advertisements defined as “electioneering” and “issue advertisements.” This ambitious bill suffers from structural deficiencies that would make interpretation, administration, and enforcement difficult. Some of the deficiencies include:

1. The provisions of these non-campaign related communications are being added to the Chapter and Article of the Act previously exclusive to campaign advertisements. Inserting unrelated, non-campaign terms and requirements into the campaign advertising sections will severely complicate portions of the Act already filled with complexity.

2. Enforcing the provisions of this bill would require resource-heavy investigations of issue and electioneering ads because there would be no corresponding disclosures filed with filing officers disclosing “lobbying-available donations” and payments for communicating.
3. Establishes pre-election timing thresholds (60 days before a general or special election, 30 days before a primary election) that are substantively different than current electioneering requirements under Section 85310 (within 45 days of any election).

In addition to potential policy and structural issues, Commission staff believes this bill could lead to legal challenges over its constitutionality.

In August 2019, Assembly Member Mullin decided to make AB 1217 a two-year bill in order to work with the Commission and other stakeholders on address ongoing issues with the bill.

#### **17. [AB 1306](#) (Garcia): Misuse of public funds**

L&P Recommendation: *Support; send letter to Senate and Assembly leaders to make AB 1306 a priority for their caucuses.*

Status: Assembly Appropriations Committee – Suspense File

Fiscal Impact: \$657,201 first year, \$629,102 ongoing.

Amended: March 18, 2019

Last Action: Referred to Assembly Appropriations Committee Suspense File (04/24/19)

#### Summary:

The Political Reform Act of 1974 establishes the Fair Political Practices Commission (FPPC) as the agency responsible for enforcing the act. The act generally prohibits a public officer from expending, and a candidate from accepting, public moneys for the purpose of seeking elective office. The act authorizes the Commission to seek and impose administrative and civil penalties against persons who violate the act, as prescribed.

This bill would amend the Political Reform Act of 1974 to prohibit any elected state or local officer, including any state or local appointee, employee, or consultant, from using or permitting others to use public resources for a campaign activity. The bill would authorize the FPPC to impose an administrative or civil penalty against a person for a misuse of public resources for campaign activity, not to exceed \$1,000 for each day on which a violation occurs, plus three times the value of the unlawful use of public resources.

#### Staff Comments:

Assembly Member Garcia authored AB 1306 in response to the Commission’s request sent in February 2019.

Commission staff has provided technical assistance to Assembly Member Garcia’s office, including background information, answered technical questions, and appeared before the Asm. Elections Committee at the invitation of the Assembly Member.

The Asm. Elections Committee raised three issues with the current version of AB 1306:

1. Whether the Commission should be able to levy treble damages through its administrative process.
2. Whether there is sufficient clarity in the law as to what is and is not permissible content for public agencies to communicate.
3. Are there other alternatives to addressing insufficient enforcement other than duplicating statutes in another body of law?

Commission staff believes the issues raised by the Asm. Elections Committee can be resolved, but staff is limited in its ability to communicate/advocate on the bill. Staff recommends the Commission support the bill and authorize staff to work closely with the Assembly Member's office on resolving potential roadblocks to approval.

AB 1306 would require the Commission to increase staff in Legal Division and Enforcement Division: two Senior Commission Counsel, one Commission Counsel, and one Special Investigator.

**18. [AB 1574](#) (Mullin): Lobbying Reports; Monthly Filing**

Status: Assembly Appropriations Committee – Suspense File

Fiscal Impact: \$252,741 first year, \$238,741 ongoing

Amended: April 11, 2019

Last Action: Referred to Asm. Appropriations Committee Suspense File (04/24/19)

Summary:

The Political Reform Act requires lobbyists employed by a lobbyist employer or a lobbying firm to provide a periodic report of the lobbyist's activity expenses and contributions to the employer or firm within 2 weeks following the end of each quarter. The act requires lobbying firms, lobbyist employers, and persons who make payments to influence legislative or administrative action of \$5,000 or more in value in any calendar quarter to file with the Secretary of State, during the month after the end of each calendar quarter of a biennial legislative session, reports regarding lobbying expenditures made during the calendar quarter.

This bill would instead require lobbying reports to be filed monthly. This bill will become operate January 1, 2021.

Staff Comments:

To adequately implement AB 1574, the Commission would need two additional Political Reform Consultants II.

**19. [SB 300](#) (Umberg): Political Reform Act; Foreign Contributions**

L&P Recommendation: *Support*

Status: Assembly Desk

Amended: March 20, 2019

Last Action: Approved by the Senate; referred to the Assembly (05/13/19)

Summary:

The Political Reform Act of 1974 prohibits a foreign government or a foreign principal, as defined, from making any contribution, expenditure, or independent expenditure in connection with the qualification or support of, or opposition to, a state or local ballot measure. The act prohibits a person or committee from soliciting or accepting a contribution from a foreign government or foreign principal for the same purposes. The Act makes a violation of these prohibitions a misdemeanor, punishable by a fine equal to the amount contributed or expended.

This bill would expand these prohibitions to include contributions, expenditures, or independent expenditures in connection with the qualification or support, or opposition to, a state or local candidate. The act would change the fine to an amount up to the greater of \$10,000 or 3 times the amount contributed or expended.

Staff Comments:

In 2016, the Commission supported nearly identical legislation ([AB 2250 – Ridley-Thomas](#)) to address the potential gap in the Political Reform Act related to foreign contributions to state and local candidates. The Federal Election Campaign Act generally prohibits foreign nationals from directly or indirectly donating or spending money in connection with *any* U.S. election. This federal law is one of the issues being litigated in the 9th Circuit Court of Appeals in [United States v. Ravneet Singh](#) on whether Congress has the authority to prohibit foreign contributions in state and local elections. SB 300 may provide a backstop to this important policy in the scenario the Court rules against the federal government. Commission staff recommends a “support” position.

**20. [SB 401](#) (Bates): Candidate Controlled Ballot Measure Committee; contribution limits**

FPPC Position: *Oppose unless Amended*

Status: Senate Elections Committee

Last Action: Failed passage in Senate Elections Committee (0 ayes, 4 noes) (04/23/19)

Summary:

The Political Reform Act imposes a contribution limit of \$4,700 on contributions made to, and received by, candidates for elective state offices that are not statewide elective offices. The Act does not limit the amount of contributions that a person may make to a committee that is primarily formed to support or oppose one or more ballot measures. The act prohibits a candidate for elective state office or a committee controlled by that candidate from contributing to another candidate for elective state office in excess of the contribution limit for elective state offices.

This bill would prohibit a person from contributing to a primarily formed candidate controlled ballot measure committee more than the contribution limit imposed on candidates for elective state offices. The bill would prohibit a candidate for any elective office, or the candidate’s controlled committees, from making a contribution to another candidate for elective office or a committee controlled by a candidate that is primarily formed to support or oppose one or more ballot measures in excess of the contribution limit established for candidates for elective state office. This bill would prohibit a committee controlled by a candidate for elective office that is primarily formed to support or oppose one or more ballot measures from expending campaign funds to make a contribution or other transfer of campaign funds to a committee for a purpose

other than supporting or opposing a ballot measure that the controlled committee was primarily formed to support or oppose.

**21. [SB 423](#) (Umberg): Committee Bank Accounts**

FPPC Position: *Sponsor*

Status: Senate Floor – Third Reading

Amended: April 9, 2019

Last Action: Referred to the Senate Floor by Senate Appropriations Committee; Third Reading File (05/07/19)

Summary:

This bill would expand the bank account requirement to include all recipient committees, as defined in [subdivision \(a\) of §82013](#). This would mean all contributions (§82015) received by the committee would have to be deposited in the designated account, and all expenditures (§82025) made by the committee would have to be drawn from the designated account. This bill would also permit a committee to redact its bank account number on the copy of the committee’s statement of organization filed with local filing officers. The bill permits the Secretary of State to redact bank account numbers on statement of organization disclosed in any form.

Staff Comments:

Staff received inquiries from interested persons regarding the intent and effects of SB 423 on existing committee practices, specifically political party committees. As a result of constructive conversations with interested persons, staff is presenting substantive amendments to SB 423 to make clear that political party committees and general purpose committees may create additional campaign contribution accounts consistent with Section 85303 and also to codify substantial portions of Regulation 18534 dealing with “restricted” and “all purpose” accounts. The proposed amendments will also make clear that it is not the Commission’s intent to limit committees to exclusively one account.

**22. [AB 1141](#) (Melendez): Misuse of public funds**

Status: Asm. Elections Committee

Amended: March 26, 2019

Last Action: Set for first hearing; hearing cancelled at the request of the author

Summary:

This bill would amend the Political Reform Act of 1974 to prohibit any elected state or local officer, including any state or local appointee, employee, consultant, or agency, from using or permitting others to use public resources for a campaign activity. The bill would authorize the FPPC to impose an administrative or civil penalty against a person for a misuse of public resources for campaign activity, not to exceed \$1,000 for each day on which a violation occurs, plus 3 times the value of the unlawful use of public resources.

**23. [AB 1245](#) (Low): Contribution prohibition; business entities**

Status: Asm. Elections Committee

Amended: April 9, 2019

Last Action: First hearing. Held without recommendation. (04/25/19)

Summary:

This bill would prohibit a business entity from contributing to a candidate for state elective office and for candidate for state elective office from accepting a contribution from a business entity.