



STATE OF CALIFORNIA
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To: Chair Miadich and Commissioners Baker
From: Lindsey Nakano, Sr. Legislative Counsel
Subject: **2023 Legislation Ideas**
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Introduction

This report includes legislation ideas that originate from Commissioners and various FPPC staff. These ideas are presented to the Law and Policy Committee for discussion, feedback, and potential recommendation to the full Commission.

Transparency

1. Centralized Record of Online Campaign Ads

- a. Summary: Reintroduce SB 921 (Newman), known as the DATA Act, to create a centralized record of online campaign advertisements.
- b. Purpose: Increase transparency about the campaign advertisements run across multiple online platforms.

2. Paid Posts by Influencers

- a. Summary: Add disclaimer requirements for paid posts about candidates or measures posted by social media influencers.
- b. Purpose: Continue to adapt DISCLOSE Act to cover evolving online activity.

3. Lobbying of Local Redistricting Commissions

- a. Summary: Require disclosure of those who are paid to influence the actions of local redistricting commissions.
- b. Purpose: Enhance transparency relating to who is attempting to influence local redistricting.

Cal-Access Replacement System and Reporting

4. Authorizing File by Proxy

- a. Summary: Commencing with the certification and launch of the new Cal-Access Replacement System (CARS), allow an authorized party, such as the committee treasurer, to electronically file campaign finance reports on CARS on behalf of the candidate, after initial certification by the candidate of which individuals are authorized.
- b. Purpose: Streamline electronic filing process on CARS by avoiding burdensome signature requirements.
- c. Note: This statutory change would NOT relieve a candidate of their liability for errors occurring on campaign reports filed on their behalf by an authorized party. Instead, this proposed legislative change would simply allow the authorized party to transmit the candidate's campaign reports to CARS on behalf of the candidate similar to how tax preparation professionals are routinely authorized to transmit tax returns to state and federal agencies on their clients' behalf.

5. Revise Filing Schedule

- a. Summary: Commencing after the certification and launch of CARS, simplify the campaign finance reporting schedule by increasing regular reporting and reducing activity-based reporting.
- b. Purpose: Increase transparency by making all reportable information publicly available faster. Increase ease of compliance for filers by creating a more consistent and predictable filing schedule.
- c. Note: Likely a 2-year bill.

Privacy

6. Unredacted Form 410s

- a. Summary: Update privacy standards in the PRA, including by creating an exception to the requirement that SOS must provide unredacted Form 410s (Statement of Organization – Recipient Committees), which include committee bank account information.
- b. Purpose: Modernize the Act by updating privacy protections to be consistent with modern privacy standards in other state law.

Education

7. Contributor Education and Certification Requirement

- a. Summary: Require contributors to certify, under penalty of perjury, certain information, including that the contribution is not being made under a false name, is not being made under another person's name, and has not been and will not be reimbursed, and that the contribution does not cause the contributor to cumulatively or in the aggregate exceed the applicable contribution limit.
- b. Purpose: Educate contributors to prevent unwitting participation in campaign money laundering.
- c. Notes:
 - i. This requirement appears in Section 49.7.16 of the Los Angeles Municipal Code. Text of section available [here](#).

Enforcement

8. Long Arm Statute

- a. Summary: Add Commission authority to exercise personal jurisdiction over out-of-state persons.
- b. Purpose: Strengthen ability of Commission to obtain documents and testimony of nonresident persons in connection with Commission investigations.

9. Section 1090: Authority to Void Contracts

- a. Summary: Add authority to void contracts in violation of Section 1090.
- b. Purpose: Ensure that contracts found in violation of Section 1090 can be made void by the enforcement agency.

Campaigns

10. Mass Mailings

- a. Summary: Expand “mailings” to include email for purposes of the mass mailings prohibition that applies within 60 days an election.
- b. Purpose: Treat email the same as physical mail, since email has become the new normal for many communications.

Statements of Economic Interests

11. Waiver of SEI Late Filing Fee

- a. Summary: Add authority for the FPPC’s SEI unit to waive the late filing fee for good cause, such as if the filer was ill or hospitalized.
- b. Purpose: Creates appropriate leniency for late filings with mitigating circumstances.

12. Mandatory Electronic Filing of SEIs

- a. Summary: Require electronic filing of SEIs that are filed with the Commission.
- b. Purpose: Modernize filing requirements and streamline SEI processing.
- c. Note: Partial mandatory filing may be included in potential reintroduction of AB 975.

PRA Clean-up and Minor Changes

13. Clean-up Bill

- a. Summary: This bill would include various minor and clean-up changes to the PRA, which may include:
 - i. Amending what counts toward the voluntary expenditure ceiling.
 - ii. Make change re: personal loans in Sections 85501 and 84307.
 - iii. Adding authority for filing officers to waive late reporting fee for successful PREP participants. (May alternatively be combined into a separate bill with #11 - Waiver of SEI Late Filing Fee).
- b. Purpose: Make minor beneficial changes to the PRA.
- c. Note: Additional changes may be added.