



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
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July 23, 2025

Margie L. Hieter
Chief, Political Reform Division
California Secretary of State
1500 11th Street
Sacramento, CA 95814

Re: Your Request for Advice
Our File No. A-25-040

Dear Ms. Hieter:

This letter responds to your request for advice regarding the campaign provisions of the Political Reform Act (the “Act”).¹

Please note that we are not a finder of fact when rendering advice (*In re Oglesby* (1975) 1 FPPC Ops. 71), and any advice we provide assumes your facts are complete and accurate. If this is not the case or if the facts underlying these decisions should change, you should contact us for additional advice.

QUESTIONS

For purposes of the California Secretary of State’s new data-based online Campaign and Lobbying Activity Search and Disclosure system:

1. What is the best method for reporting a contribution check returned for non-sufficient funds on a late contribution report?
2. What is the best method for reporting the cumulative amount of contributions for a contributor who gives multiple times during a reporting period? Relatedly, once a contributor has reached the “itemization threshold” of \$100 in aggregate contributions, what is the best method for the disclosure of multiple contributions made by the contributor during the reporting period?

¹ The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18104 through 18998 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

CONCLUSIONS

1. In order to provide accurate disclosures of late contributions, where a late contribution report is filed for a contribution and the check comes back as non-sufficient funds (“NSF”), the late contribution report should be amended, and an entry added to show the check returned for NSF. This will ensure that the information regarding the original contribution and its subsequent return will be available on a single filing.

2. As defined in the Act, “cumulative amount” is the amount of contributions received during a calendar year. (Section 82018(a).)² Thus, for a contributor who has given multiple times during a reporting period, the cumulative total should be the total contributions made during the calendar year to date (“YTD”). As a result, it is incorrect to report this as a graduated amount increasing with each contribution. Additionally, for a contributor who has reached the itemization threshold and has given multiple times during a reporting period, each individual contribution should be itemized on the campaign statement.

FACTS AS PRESENTED BY REQUESTOR

The California Secretary of State is currently building a new data-based online Campaign and Lobbying Activity Search and Disclosure system (Cal-ACCESS Replacement System or “CARS”) that requires uniform transaction reporting.³

The Cal-ACCESS Replacement System represents a significant modernization of California’s campaign finance and lobbying activity disclosure platform. Unlike the current form-based system, CARS will be a data-centric solution that stores, manages, and presents political finance information in a structured database format. This architectural shift will enable more robust search capabilities, improved data analytics, and greater transparency for the public.

The transition from form-based to data-based reporting highlights the need to standardize various reporting practices that may have historically been subject to inconsistent interpretation. As CARS is being built, it is important that these questions are addressed as some will impact system design. To this end, the Secretary of State’s Office seeks the Commission’s guidance on the issues listed below.

The first issue is how to report a check disclosed on a Form 497 (24-Hour Contribution Report) and returned for NSF. In this scenario, a contributor makes a contribution of \$1,000 to a committee during the late reporting period, and the committee files a Form 497 to disclose its receipt. Three days later, the bank returns the check for NSF.

The Secretary of State’s Office has identified multiple ways in which treasurers report this situation:

² Section 82018 (b)-(d) provide limited exceptions to this definition.

³ Political Reform Act of 1974: campaign disclosures, Cal. S. B. 1239 (2017-2018), Chapter 662 (Cal. Stat. 2018).

- No Action Method: The late contribution report is not amended in any way, nor is a new report filed.
- Amendment with Offset Method: The late contribution report is amended to show both the original \$1,000 contribution and a negative \$1,000 transaction from the same contributor with an explanatory note about the NSF.
- New Filing Method: A new late contribution report is filed as of the date of the NSF notification, showing only the negative \$1,000 transaction with an explanatory note.
- Blank Amendment Method: The filed late contribution report is amended, with the original contribution deleted.

The second issue is how to report a contributor with multiple contributions during a reporting period and calendar year. In this scenario, “Contributor A” makes a \$20 contribution to a recipient committee on the first of every month starting in January, through the month of June. The committee has a semi-annual reporting requirement for a campaign statement (Form 460) covering January through June. For the reporting period, the contributor reached \$100 in cumulative contributions YTD in May.

It is the Secretary of State’s Office staff’s understanding that two methods are currently used to report the cumulative YTD totals in this situation. The first method has a “graduated” cumulative YTD total for each month, and the second method reports the cumulative YTD total as of the end of the reporting period for all months covered. The Secretary of State’s Office states that the latter method is likely more consistent with modern database systems, where cumulative totals are calculated at the reporting time, and notes that displaying different YTD cumulative totals, as well as variations in itemizations for the same contributor within a single reporting period, may create confusion.

ANALYSIS

1. Reporting Checks Returned for Non-Sufficient Funds (NSF)

The Act requires reporting of certain campaign activities when they reach a specified dollar threshold, such as a “late contribution.” A “late contribution” is one aggregating to \$1,000 or more made or received during the 90-day period preceding the date of an election and including the date of election by specified candidates and committees. (Section 82036.) This 90-day period is commonly referred to as the “late reporting period.” During this time, contributions aggregating to \$1,000 or more must be disclosed on a late contribution report within 24 hours by each candidate or committee making or receiving the late contribution. (Section 84203.) Generally speaking, a contribution is “received” on the date the candidate or committee obtains control of the contribution. (Regulation 18421.1.) Notably, a late contribution report discloses the contribution made or received as of a certain date – including cash, loans, and in-kind contributions. Separately, semi-annual and pre-election statements disclose all of the activity by a committee over a period of time (the “reporting period”), including information that has already been disclosed on late contribution reports.

Section 84203 does not require updating or amending a late contribution report to reflect a contribution returned for NSF. Cash reported on a late contribution report does not affect the cash totals reported on a semi-annual or pre-election statement, such that amending a late contribution report is not necessary for correct bank account totals to be reported. On the other hand, for a contribution returned for NSF disclosed on a semi-annual or pre-election statement, it is necessary to show a negative amount for the cash totals to be correct. Accordingly, staff has consistently advised that checks returned for NSF must be disclosed on semi-annual and pre-election statements.

In reviewing the methods outlined by the Secretary of State, staff advises that the “amendment with offset method” is the most effective way of serving the public interest through the disclosure of late contributions. In this way, an originally filed late contribution report will be amended, and an entry added to show the check returned for NSF, such that the information regarding the original contribution and its subsequent return will be available on a single filing.

While this letter specifically addresses the reporting of late contributions pursuant to Section 84203 (Form 497 – 24-Hour Report), the method outlined here should also be used for the amendment of reports filed pursuant to Section 84204.5 (Form 497 – 10-day Report) and Section 85309 (online filing of Form 497-24-Hour Report).

2. Disclosure of Cumulative Totals & Itemization of Contributors

Campaign statements filed pursuant to Chapter 4 of the Political Reform Act must contain, in part, the total amount of contributions received during the period covered by the campaign statement from (1) persons who have given a cumulative amount of \$100 or more; and (2) from persons who have given a cumulative amount of less than \$100. (Sections 84211(c) and (d).) With limited exceptions, “cumulative amount” means “the amount of contributions received or expenditures made in the calendar year.” (Section 82018.)

Additionally, under what is referred to as the “itemization threshold,” once a contributor has made contributions aggregating to \$100 or more in a calendar year, the contributor and their contributions must be “itemized” on the campaign statement. (Section 84211(f).) That is, the contributor’s name, street address, occupation and employer, date of contribution, amount of contribution, and cumulative amount of contributions must be publicly reported. (Section 84211(f).) Prior to reaching this itemization threshold, the name and other identifying information of the contributor are not required to be publicly disclosed on a campaign statement.⁴

⁴ Note: it is the “duty of each candidate, treasurer, principal officer, and elected official to maintain detailed accounts, records, bills, and receipts necessary to prepare campaign statements, to establish that campaign statements were properly filed, and to otherwise comply with the provisions of” the Act. (Section 84101.) For contributions received of less than \$25, the accounts and records must contain a continuous computation of campaign account balances and include a listing reflecting the dates and daily totals of the contributions. (Regulation 18401(a)(1)(A).) And for contributions received from \$25 to \$99, the records must also include the date of each contribution or other receipt, the amount, the full name and street address of the contributor or the source of the other receipt, and in the case of a contribution, the accounts and records must “contain *the cumulative amount received from the contributor.*” (Regulation 18401(a)(2)(A); emphasis added.) Thus, even if a contributor has not reached the \$100 itemization

For a contributor who has given multiple times during a reporting period, the “cumulative amount” is the total of all contributions made during the calendar year through the end of the reporting period (YTD). As a result, for a contributor who must be itemized multiple times during a given reporting period, the cumulative for all individual contributions disclosed will always be the same. It is not a graduated amount. Examples of these cumulative totals are included in the charts below.

Turning to your scenario, Contributor A has made the following contributions to a recipient committee between January 1 – June 30:

January 1	\$20.00
February 1	\$20.00
March 1	\$20.00
April 1	\$20.00
May 1	\$20.00
June 1	\$20.00

A. Filing Semi-Annual Statement

As the contributor’s cumulative contributions for the reporting period are \$100 or more, all of the contributor’s contributions must be itemized on the campaign statement. And the cumulative YTD total would reflect all of the contributions made during the period. The semi-annual statement, covering the period January 1 – June 30, would include the following information:

Recipient Committee Campaign Statement: January 1 – June 30			
Date Received	Contributor	Amount Received This Period	Cumulative to Date Calendar Year
1/1/25	Contributor A	\$20.00	\$120.00
2/1/25	Contributor A	\$20.00	\$120.00
3/1/25	Contributor A	\$20.00	\$120.00
4/1/25	Contributor A	\$20.00	\$120.00
5/1/25	Contributor A	\$20.00	\$120.00
6/1/25	Contributor A	\$20.00	\$120.00
Total Itemized Contributions:		\$120.00	
Total Unitemized Contributions:		\$0.00	
Total Contributions:		\$120.00	

threshold, it is required that each committee maintain detailed records in order to accurately calculate an individual’s cumulative contributions.

B. Filing Quarterly Statements

We note, however, if the committee is filing quarterly statements, the contributor would not reach the itemization threshold for the initial campaign statement covering the period January 1 – March 31. The contributions made during this time period, totaling \$60, would be disclosed as “unitemized contributions” on the campaign statement:

Recipient Committee Campaign Statement: January 1 – March 31			
Date Received	Contributor	Amount Received This Period	Cumulative to Date Calendar Year
Total Itemized Contributions:		\$0.00	
Total Unitemized Contributions:		\$60.00	
Total Contributions:		\$60.00	

The contributor would then reach the itemization threshold of \$100 with the May 1 contribution and would need to be itemized for the quarterly campaign statement covering the period April 1 – June 30. Additionally, the cumulative YTD total for the contributor would include all of the contributions made during the calendar year:

Recipient Committee Campaign Statement: April 1 – June 30			
Date Received	Contributor	Amount Received This Period	Cumulative to Date Calendar Year
4/1/25	Contributor A	\$20.00	\$120.00
5/1/25	Contributor A	\$20.00	\$120.00
6/1/25	Contributor A	\$20.00	\$120.00
Total Itemized Contributions:		\$60.00	
Total Unitemized Contributions:		\$0.00	
Total Contributions:		\$60.00	

It is anticipated that Commission staff will present regulatory proposals to the Commission adopting these preferred methods of reporting in conjunction with other regulatory changes necessary for the implementation of CARS.

If you have other questions on this matter, please contact me at (916) 322-5660.

Sincerely,

Dave Bainbridge
General Counsel

A handwritten signature in blue ink, appearing to read "EM Boyd", is positioned above the typed name of Erika M. Boyd.

By: Erika M. Boyd
Senior Counsel, Legal Division

EMB:aja