

170738 (V2) Ethics Comments

16.553-2 (Candidate Disclosure Requirements)

(a)

- SEI (Form 700) - should be filed with Elections, not Ethics.
 - All other candidates' Form 700s are filed with elections. For purposes of consistency, these candidates should also file it there.

(b)(1)

- Statement of organization - should only be required once candidates raise or spend \$2,000. This is the rule for the statement of organization for all other candidates.

(b)(3)

- Preelection statements – reference to CA Gov. Code 84200.8 needs to be added to provide the reporting periods for preelection statements.

(b)(6)

- Forms and Filings – this section should cover all filings required of candidate, not just statements (should also include late contribution reports and campaign advertisements). Electronic filings should also be explicitly mentioned, as it is in CFRO § 1.112.
 - Most likely, this subsection should be moved to a new subsection (d), and the wording should be changed to “The Ethics Commission shall specify the forms candidates shall use to file the ~~above statements~~ disclosures required by this section and the manner in which candidates shall file those ~~statements~~ disclosures, including in an electronic format.”

(c)

- “Campaign advertisement” disclosure – it is not clear what a campaign advertisement is (not defined). This disclosure is too broad and should be limited to mass mailings only (and that term defined). This is what is required of other candidates.
 - References to CFRO §§ 1.104 & 1.161(b)(2) (mass mailing disclosure) would be sufficient.

16.553-3 (Third Party Disclosure Requirements)

(a)(3)

- Preelection statements – reference to CA Gov. Code 84200.8 needs to be added to provide the reporting periods for preelection statements.

(a)(4), (a)(5)

- "Initial independent expenditure campaign statement" is a holdover term from the last version.
 - instead, these subsections should refer to "any person or entity subject to subsection (a)(1) of this section"

(a)(6)

- Forms and Filings – this section should cover all filings required of IE committees, not just statements (should also include late IE reports and campaign advertisements). Electronic filings should also be explicitly mentioned, as it is in CFRO § 1.112.
 - Most likely, this subsection should be moved to a new subsection (c), and the wording should be changed to “The Ethics Commission shall specify the forms persons subject to this subsection (a) shall use to file the ~~above statements~~ disclosures required by this section and the manner in which they shall file those ~~statements~~ disclosures, including in an electronic format.”

(b)(2)

- Independent expenditure disclaimers – the draft requirements are not in line with current state and local rules for IE disclaimers. They should be the same.
 - Add reference to (or copy) CA Gov. Code § 84503 to require “committee major funding” disclaimer with top three contributors giving over \$20,000.
 - Add reference to (or copy) CA Gov. Code § 84506.5 to require a non-coordination statement.
 - Add requirement that disclaimer formatting conform to the requirements of CFRO and the CA Gov. Code for IE disclaimers.

16.553-3 (Trainings; Audits; Enforcement And Penalties; Subpoenas)

(c)(3)

- Late Filing Fees – this needs to also include the \$25-per-day late fee for electronic filings, limitation, and waiver.
 - A reference to CFRO § 1.170(d) would be sufficient.

General

- Deadlines – a provision should be added to delay deadlines that fall on weekends on holidays until the next business day.