

Date of Hearing: May 14, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1188 (Ortega) – As Amended May 5, 2025

Policy Committee: Elections

Vote: 4 - 1

Urgency: No

State Mandated Local Program: Yes

Reimbursable: Yes

SUMMARY:

This bill requires a ballot to contain detailed information about the contributors to campaign committees formed to support or oppose statewide initiatives and referenda.

Specifically, this bill:

- 1) Requires a state initiative or referendum petition to include a notice informing a person to sign the petition only if they have reviewed the Official Top Funders disclosure and requires the petition to include a space for each signer to check a box confirming they have read the disclosure.
- 2) Requires, for a proposed statewide initiative or referendum measure for which the official summary date occurs on or after January 1, 2026, the three largest contributors to all committees formed in support and opposition of the measure and the internet website address with information identifying those committees' 10 largest contributors be printed on the ballot immediately following the names of the measure's supporters and opponents. This required text does not count toward the 75-word limit for the condensed title and summary.
- 3) Requires the Secretary of State (SOS) to make a copy of the identified top contributors available for public examination during the existing title and summary examination period prior to printing the information on ballots, and authorizes a voter to seek a writ of mandate requiring identified contributors be amended or deleted.

FISCAL EFFECT:

- 1) Ongoing costs of an unknown amount to the SOS to add more pages to the statewide Voter Information Guide, as the "Quick Reference Guide" portion of the guide includes a copy of the ballot text that voters will see for each ballot measure (General Fund). Thus, to the extent this bill results in longer ballot labels, the Voter Information Guide will similarly grow in length. The SOS estimates an average per-page cost of \$123,000 for printing and mailing the guide, and anticipates this bill will result in the addition of an additional page per qualified ballot measure. Actual costs will depend on the number of ballot measures at each election. The SOS would also incur costs to work with the Office of State Publishing to redesign the Quick Reference Guide page layout, and to prepare the top contributors information for public examination and potential challenge.

- 2) Costs of an unknown amount, likely in the millions of dollars per election, across 58 counties to prepare and mail longer ballots to voters. While smaller counties with fewer voters anticipate per-election costs in the tens of thousands of dollars, larger counties anticipate per-election costs closer to \$1.5 million. The magnitude of costs depends on the number of ballot measures and contributors disclosed for each election. If the Commission on State Mandates determines this bill's requirements to be a reimbursable state mandate, the state would need to reimburse these costs to counties (General Fund).
- 3) Ongoing cost pressures (GF or Trial Court Trust Fund (TCTF)) of an unknown, but likely absorbable, amount to the courts in additional workload by allowing a voter to seek a writ of mandate requiring identified contributors be amended or deleted. It is unclear how many additional actions may be filed statewide, but the estimated workload cost of one hour of court time is \$1,000. Although courts are not funded on the basis of workload, increased pressure on staff and the TCTF may create a demand for increased court funding from the GF to perform existing duties. The Budget Act of 2024 included \$37.3 million ongoing GF to backfill declining TCTF revenue.

COMMENTS:

- 1) **Purpose.** The author contends "the initiative and referendum process is vulnerable to manipulation by well-funded corporations and individuals who spend hundreds of millions to sway voter decisions and obscure the true substance of the questions on the ballot." According to the author, this bill "seeks to increase transparency by requiring that the three top funders in support and opposition of an initiative are printed on the ballot, so voters can make informed choices on ballot initiative question."
- 2) **Background. Existing Top Funders Disclosure.** SB 47 (Allen), Chapter 563, Statutes of 2019, requires an individual asked to sign a state or local initiative, referendum, or recall petition be provided with information about the committee paying for the petition to be circulated, if any, and the "Official Top Funders" making campaign contributions to that committee. SB 47 allowed the disclosure to appear on the petition itself or on a separate document required to be shown to individuals asked to sign the petition. This bill requires a petition to contain an additional notice instructing a person to sign the petition only if they have reviewed the Official Top Funders disclosure and include a space for each signer to check a box confirming they have read the disclosure.

Ballot Disclosure. Existing law requires a ballot to comply with various requirements about its form and content. Once all these requirements are met, there is limited space left on the ballot. Consequently, it is common practice to include other important election information in the state or local voter information guide. AB 1416 (Santiago), Chapter 751, Statutes of 2022, requires the ballot label for a statewide ballot measure to include the names of specified supporters and opponents of the measure. The November 2024 statewide general election featured 10 statewide ballot measures, and as noted in the Assembly Elections Committee's analysis of this bill, "Based on a review of a selection of counties' ballots...it appears that AB 1416 increased the amount of space taken up on the ballot for each statewide ballot measure by 30-45% in most cases."

This bill requires the ballot to include a listing of the three largest contributors to campaign committees that support (including a committee that paid for circulation of the petition) and

oppose each statewide initiative or referendum measure. As noted in the Assembly Elections Committee's analysis of this bill:

It is unclear whether including information on the ballot about campaign contributors to committees...will provide the voters with accurate, meaningful, and balanced information. For statewide elections, county elections officials generally begin printing ballots shortly after the SOS certifies the list of qualified candidates for office who will appear on the ballot, a step that is required to occur no later than the 68th day before the election...As a result, any listing of campaign contributors that is printed on the ballot will reflect only those contributions that are made more than two months before the election...

Additionally, it is likely that most of the campaign spending that will have occurred by the deadline for including information on the ballot is spending in connection with gathering signatures to qualify the measure for the ballot...Is providing voters with information about the major campaign contributors on one side of a state initiative referendum, but not about contributors on the other side of the same measure, equitable, or likely to lead to a more informed electorate?

- 3) **Support and Opposition.** This bill is sponsored by the California Federation of Labor Unions, which argues, "AB 1188 brings more transparency on the main funders of ballot measures to voters where it matters most – on the ballot label." This bill is also supported by other labor organizations and the Election Integrity Project California.

This bill is opposed by the California Association of Clerks and Election Officials, which argues "space on ballots is at a premium. When it is proposed to add additional information to the ballot, counties must be concerned about the cost of creating additional ballot cards." This bill is also opposed by the Howard Jarvis Taxpayers Association.

- 4) **Prior Legislation.** SB 1337 (Gonzalez), of the 2023-24 Legislative Session, would have required a statewide referendum petition to include a list of the top five funders of the effort to qualify the referendum and that the petition be reprinted within five business days of a change to the top five funders. SB 1337 was vetoed by Governor Newsom, who stated, "While I share the author's goal of increasing transparency in our elections system, these changes are overly burdensome and may have the unintended consequence of making our state referendum process less accessible."

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