

Date of Hearing: April 15, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1788 (Boerner) – As Amended March 26, 2026

Policy Committee: Elections

Vote: 8 - 0

Urgency: No

State Mandated Local Program: Yes

Reimbursable: No

SUMMARY:

This bill broadens the existing Political Reform Act (PRA) requirement regarding the disclosure of donors to a nonprofit organization that pays for an elected official's travel.

Specifically, this bill:

- 1) Applies the existing PRA donor disclosure requirement regarding travel payments made by a nonprofit organization to all nonprofit organizations meeting certain expenditure thresholds, not only those that regularly organize and host travel for elected officials.
- 2) Requires the nonprofit organization to disclose to the Fair Political Practices Commission (FPPC) each travel expenditure for an elected official and maintain detailed records necessary to prepare such disclosures for at least five years.

FISCAL EFFECT:

Costs of approximately \$150,000 to the FPPC for one additional staff position to provide training, assistance, and public outreach regarding the new disclosure requirements (General Fund). The FPPC may also need additional resources if this bill leads to an increase in related enforcement workload.

The Legislative Analyst's Office recently warned of General Fund structural deficits of around \$35 billion per year in the 2027-28 fiscal year and ongoing.

COMMENTS:

- 1) **Purpose.** The author contends that "Government transparency is important to maintain the public's trust." According to the author, this bill "will ensure that expenditures for travel are reported in a clear and standard way" and "ensure that when organizations pay for an elected officials' travel, that it is properly disclosed." This bill is sponsored by the FPPC and supported by the League of Women Voters of California.
- 2) **Disclosure of Travel Payments.** A travel payment received by a public official is generally reportable as a gift or income under the PRA. However, certain travel-related payments are exempt from the annual gift limit (currently set at \$630) if the travel is related to a legislative or governmental purpose.

Although a nonprofit organization must submit certain financial information to the Internal Revenue Service, existing federal and state laws do not generally require public disclosure of an organization's donors. In light of concerns that the funders of nonprofit organizations that sponsor conferences and travel for public officials utilize such opportunities to attempt to influence those public officials, SB 21 (Hill), Chapter 757, Statutes of 2015, required certain nonprofit organizations that regularly organize and sponsor travel for elected officials to disclose information regarding the organization's donors. Specifically, a nonprofit organization that regularly spends more than \$10,000 annually on travel for elected officials, or more than \$5,000 annually for a single official, must disclose the names of donors that contributed at least \$1,000 to the organization and accompanied an elected official on travel during the preceding year. A nonprofit organization "regularly" hosts travel if more than one-third of the organization's annual expenses are devoted to travel, study tours, or conferences involving public officials. The one-third threshold was added during legislative negotiations to avoid imposing reporting requirements on large, broadly focused organizations, such as the National Conference of State Legislatures and Council of State Governments, for which such travel constitutes a small portion of activities.

In 2023, a *CalMatters* news report found that only two donor disclosure reports had been filed pursuant to SB 21 after the law took effect in 2016, triggering an FPPC audit of the reporting requirement. This bill eliminates the one-third threshold for donor disclosure, thus extending the reporting requirement to any nonprofit organization with qualifying expenditures, regardless of whether the organization regularly organizes and hosts travel for elected officials. As noted in the Assembly Elections Committee's analysis of this bill, "the committee may wish to consider whether the proposed changes to SB 21 are overly broad and could impose unnecessary burdens on organizations that do not present the same risks of undue influence that motivated the law's enactment."

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