

CONCURRENCE IN SENATE AMENDMENTS

AB 2255 (Pellerin)

As Amended August 3, 2026

2/3 vote

SUMMARY

Requires candidates to provide additional details about campaign expenditures exceeding \$20,000 made to a single person during times when the candidate is not appearing on the ballot or running for reelection to the same office.

Senate Amendments

- 1) Require that, whenever a campaign must report additional information about an expenditure under this bill, the report include a description of the specific political, legislative, or governmental purpose of the expenditure.
- 2) Specify that a relationship between the recipient of an expenditure and the candidate or the candidate's staff must be disclosed if the recipient of the expenditure is an immediate family member of the candidate, a paid member of the candidate's campaign or officeholder staff, or an immediate family member of a paid member of the candidate's staff.
- 3) Exclude campaign contributions and credit card payments from the types of expenditures that trigger this bill's reporting requirements.
- 4) Exempt committees established for the reelection of the controlling candidate to the same office from this bill's reporting requirements.
- 5) Recast this bill's reporting requirements to better align with existing expenditure reporting.

COMMENTS

When disclosing a campaign expenditure of \$100 or more on a campaign statement, the Political Reform Act (PRA) requires that the committee disclose the name of the person who received the expenditure, the person's street address, the date and amount of the expenditure, and a brief description of the consideration for which the expenditure was made. Campaign committees typically fulfill the requirement to provide a "brief description of the consideration for which the expenditure was made" by using one of 27 expenditure codes established by the Fair Political Practices Commission (FPPC), which describe common campaign expenses. If none of these codes accurately describe a payment, committees provide their own brief description of the goods or services purchased.

For certain types of expenditures, FPPC regulations require additional information to be supplied. For instance, when a committee pays a person to provide favorable or unfavorable content about a candidate or ballot measure on a website other than the committee's own website, the committee is required to report additional information about the person providing content and where that content is published. When reporting an expenditure for a gift, the committee must provide additional information about the political, legislative, or governmental purpose of the expenditure, along with information about the identities of the gift recipient(s). For these types of expenditures, the additional required disclosure helps ensure adequate transparency and oversight of campaign spending for which there may be a greater interest in public scrutiny.

The provisions of this bill apply to a situation where a candidate-controlled committee established for an elective office is making expenditures to a single recipient of \$20,000 or more in the reporting period and where the candidate will not appear on the ballot for the next election and is not running for reelection to the same office. This requirement should affect relatively few campaign committees, as the vast majority of candidate controlled committees open at any given time are for the next term of the office for which the committee was formed, and candidates tend to make the bulk of their campaign expenditures during the year of the election.

In some cases, however, candidates establish campaign committees several years before the election in which they intend to run. When those committees make substantial expenditures well before the election, the spending may not receive the same level of public scrutiny as expenditures made in connection with an imminent election. By requiring additional disclosure in these limited circumstances, this bill will provide the public with greater insight into the purpose of significant campaign expenditures and promote transparency and oversight.

The Senate amendments exempt certain common expenditures from this bill's reporting requirements, exclude candidate-controlled committees established for the controlling candidate's reelection to the same office from those requirements, and make various clarifying changes. This bill, as amended in the Senate, is generally consistent with prior Assembly actions.

California voters passed an initiative, Proposition 9, in 1974 that created the FPPC and codified significant restrictions and prohibitions on candidates, officeholders, and lobbyists. That initiative is commonly known as the PRA. Amendments to the PRA that are not submitted to the voters, such as those contained in this bill, must further the purposes of the initiative and require a two-thirds vote of both houses of the Legislature.

According to the Author

"While candidates may begin fundraising well in advance of an election to ensure they have sufficient resources to communicate with voters, most campaign spending by candidates usually occurs during the weeks leading up to the election. Large campaign expenditures made outside the typical campaign window warrant closer scrutiny to ensure compliance with state law. AB 2255 requires additional detail about the purpose of large campaign expenditures made at times when a candidate is less likely to be engaged in significant campaign activity. This additional disclosure will improve transparency and ensure appropriate oversight of the state's campaign finance laws."

Arguments in Support

In support of this bill, the League of Women Voters of California writes, "When a candidate is not headed to the next ballot, large campaign expenditures by a candidate-controlled committee should not be able to disappear into vague reporting. AB 2255 closes that gap. The legislation requires a candidate-controlled committee established for an elective office to report additional information when the controlling candidate will not appear on the ballot at the next election and the committee makes expenditures, other than contributions or credit card payments, to a single person totaling \$20,000 or more in a reporting period. The requirement does not apply to a committee established for the candidate's reelection to the same office. That threshold reflects the understanding that some ongoing expenses are completely normal, like office maintenance, winding up business, or political consulting, while large amounts are unusual and require more scrutiny... AB 2255 is a focused, commonsense step to ensure that candidate-controlled

committees remain accountable for large expenditures when the candidate is no longer headed to the ballot."

Arguments in Opposition

None received.

FISCAL COMMENTS

According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, negligible state costs.

VOTES:

ASM ELECTIONS: 8-0-0

YES: Pellerin, Gallagher, Bennett, Berman, Elhawary, Johnson, Solache, Stefani

ASM APPROPRIATIONS: 14-0-1

YES: Wicks, Hoover, Aguiar-Curry, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

ABS, ABST OR NV: Arambula

ASSEMBLY FLOOR: 77-0-3

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

ABS, ABST OR NV: Arambula, Flora, Celeste Rodriguez

UPDATED

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