

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 2421 (Valencia) – As Amended April 16, 2026

Policy Committee: Elections Vote: 8 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

**SUMMARY:**

This bill allows the Secretary of State (SOS) to terminate an inactive campaign committee following certain procedures.

Specifically, this bill:

- 1) Requires, if the SOS determines that a recipient committee either (a) failed to submit a campaign report for the preceding 12 months and has an ending cash balance of \$3,000 or less or \$5,000 or less but \$2,000 is owed to the controlling candidate or (b) filed a statement of organization in error, the SOS to provide notice to the campaign committee's treasurer and the Fair Political Practices Commission (FPPC) that the committee may be terminated 180 days after the notice is sent.
- 2) Allows the SOS to terminate the committee if an objection to the termination notice is not filed by the committee or the FPPC.
- 3) Requires the SOS to provide notice of the termination to the committee's filing officer within 30 days.

**FISCAL EFFECT:**

- 1) Minor and absorbable costs to the SOS to identify inactive campaign committees and send termination notices to various entities.
- 2) Minor and absorbable costs to the FPPC to receive and review termination notices.

**COMMENTS:**

- 1) **Purpose.** According to the author:

By creating a process for the [SOS] to terminate inactive campaign committees, while still allowing committees the opportunity to object, this bill would ensure our database is up to date and reduces administrative burdens for regulators. This would allow the FPPC to focus their resources on compliance issues and investigations, creating stronger enforcement and oversight.

This bill is sponsored by the FPPC.

- 2) **Background. *Termination of Campaign Committees.*** Under the Political Reform Act (PRA), a recipient committee is a campaign committee that receives contributions of \$2,000 or more per year for political purposes. Unlike independent expenditure committees and major donor committees, which automatically terminate at the end of each calendar year, recipient committees continue in perpetual existence until they are terminated.

In 2011, the FPPC adopted a regulation that allows the FPPC to administratively terminate recipient committees, instead of relying on the recipient committee to file the appropriate paperwork. While this authority has helped reduce the number of inactive committees, the FPPC notes that the process requires time-consuming and resource-intensive staff review.

***Cal-Access Replacement System (CARS).*** California's antiquated online filing and disclosure system (Cal-Access) for the various reports and statements filed pursuant to the PRA will be replaced by a new system (CARS) scheduled to become operative toward the end of 2026. In preparation for the deployment of CARS, the SOS has been attempting to contact a large number of inactive committees that never officially terminated. This bill allows the SOS to automatically terminate a committee that meets certain criteria if the SOS receives no objection after providing a 180-day termination notice to the committee and the FPPC.

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