

CONSENT

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Bill No: SB 1389  
Author: Dahle (R)  
Amended: 4/23/26  
Vote: 27

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SENATE ELECTIONS & C.A. COMMITTEE: 5-0, 4/21/26

AYES: Wiener, Choi, Allen, Cervantes, Umberg

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

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**SUBJECT:** The Political Reform Act of 1974: late filing of reports

**SOURCE:** Fair Political Practices Commission

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**DIGEST:** This bill extends the period of time for which the filer of a statement of economic interest may be fined for a late filing waived.

**ANALYSIS:**

Existing law:

- 1) Creates the Political Reform Act (PRA), which sets campaign finance and disclosure laws for state and local campaigns, candidates, officeholders, and ballot measures, and establishes the Fair Political Practices Commission (FPPC) to implement, administer, and enforce the PRA.
- 2) Requires every state or local agency to adopt a conflict of interest code that has the force of law and that identifies the officials and employees within the agency who make governmental decisions based on the positions they hold, as specified. The identified individuals in the designated positions are commonly referred to as “designated employees.”
- 3) Requires public officials, candidates, and designated employees periodically to file statements of economic interests to disclose to the public their financial interests. These are filed on the FPPC Form 700. In some instances, a filer submits copies of the Form 700 to multiple agencies.

- 4) Imposes penalties for violations of the PRA, including a penalty of \$10 per day for each day a required report or statement or copy thereof is filed after the deadline. This penalty is payable to the officer with whom the statement or report must be filed, known as the filing officer.
- 5) Allows a filing officer to waive the \$10 per day penalty if, on an impartial basis, they determine that the late filing was not willful and that enforcement of the liability will not further the purposes of the PRA. The filing officer may waive penalties both for original statements and reports and for copies of those statements and reports that the law requires.
- 6) Prohibits the filing officer from waiving this penalty when the Form 700 is still not filed 30 days after the filing officer sends the filer a specific written notice of the requirement to file, unless that person is filing as a candidate.
- 7) Limits the amount of this penalty to the greater of \$100 or the cumulative amount stated in the late statement or report.

This bill:

- 1) Extends the time during which a filing officer may waive the \$10 per day penalty for late statements of economic interest to 30 days after the filing officer refers the matter to the FPPC.
- 2) Applies this change in 1) of this bill to all filers of statements of economic interest, including candidates.
- 3) Deletes the \$10 per day penalty on filers who file their original statement or report but do not file copies with other agencies. This applies to all statements and reports required under the PRA.
- 4) Specifies a \$100 maximum financial penalty for a late Form 700 and maintains, for all other reports, the maximum financial penalty of the greater of \$100 or the aggregate amount of any contributions, expenditures, or other amounts reported in the late report.

## **Background**

Proposition 9, which appeared on the June 1974 ballot, created the PRA and established California's campaign finance and disclosure laws for state and local campaigns, candidates, officeholders, and ballot measures. Proposition 9 also created the FPPC to implement, administer, and enforce the PRA.

The PRA defines conflicts of interest for public officials, requires public agencies to adopt conflict of interest codes, and requires public officials and designated public agency officials to disclose their financial interests. Designated employees are specified in an agency's conflict of interest code. Disclosure of financial interests occurs through filing of the statement of economic interests, FPPC Form 700.

The PRA also requires candidates for elective office, committees formed to support or oppose candidates for public office or ballot measures, slate mailer organizations, and other specified entities, to file periodic and activity-based campaign statements and reports disclosing contributions, expenditures, and other related matters.

Violations of the PRA generally are subject to administrative, civil, and criminal penalties. Civil and criminal enforcement actions are rare, however, and enforcement actions for violations of the PRA typically are brought through the FPPC's administrative enforcement process.

## **Comments**

*Author's Statement.* This is a good governance bill that modernizes campaign finance reporting by ensuring filers are not penalized with daily fines for simply forgetting to submit a duplicate copy of their Form 700. This bill creates a more reasonable system that forgives honest mistakes while maintaining firm accountability for actual violations.

*More time.* FPPC regulations require filing officers, who receive Form 700s from designated employees and public officials, to refer those who do not file to the FPPC. The filing officer must first make two attempts to reach the filer associated with an apparent violation and provide information about the attempts when reporting the apparent violation to the FPPC. FPPC staff reports this process can take as long as several months, and it is this time that the bill adds to the waiver period for penalties.

*CARS.* In 2000, pursuant to SB 49 (Karnette, Chapter 866, Statutes of 1997) the Secretary of State (SOS) deployed the California Automated Lobby Activity and Campaign Contribution and Expenditure Search System, or Cal-Access. Cal-Access replaced the paper-based system and provides online filing of reports and statements required by the PRA. It also provides online access to these statements and reports for the public.

Cal-Access is now 27 years old. Due to its age and associated shortcomings, SB 1349 (Hertzberg, Chapter 845, Statutes of 2016) directed the SOS, in consultation with the FPPC, to replace Cal-Access with a new disclosure system, the Cal-Access Replacement System or CARS. The SOS expects to fully deploy CARS later this year.

AB 808 (Addis, Chapter 278, Statutes of 2025) updated language throughout the PRA to conform it with filings being made via CARS when it begins to operate. AB 808 takes effect when the SOS certifies that CARS is operational.

This bill amends the same code section twice, once as it is operative today and once as it will be operative when the SOS certifies CARS.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

**SUPPORT:** (Verified 5/4/26)

Fair Political Practices Commission (source)  
California Common Cause

**OPPOSITION:** (Verified 5/4/26)

None received

**ARGUMENTS IN SUPPORT:**

The FPPC, this bill's sponsor, states that this bill extension of the penalty waiver period is needed because:

Filing officers at the FPPC have encountered many situations where late fees for Form 700s filed beyond the 30-day window would be reasonably and justifiably waived, but filing officers are unable to grant the waiver due to the existing time limit. For example, FPPC filing officers have noted that waiver would be appropriate for first-time filers who were not aware of their filing duties, or filings that were late due to technical errors or errors made by the local filing officer, even beyond the current 30-day limit.

[This bill] extends the waiver period to within 30 days after a referral for the late or missing filing is filed with the FPPC.

\*\*\*\* **END** \*\*\*\*