Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Buffy Wicks, Chair
SB 1389 (Dahle) – As Amended April 23, 2026

Policy Committee: Elections Vote: 7 - 0

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

SUMMARY:

This bill limits the late filing penalties applicable to certain statements and reports under the Political Reform Act (PRA) of 1974.

Specifically, this bill:

1) Provides that $100 is the maximum penalty amount for the late filing of a statement of economic interest (SEI or "Form 700") and clarifies that the maximum late penalty for other statements or reports is the greater of $100 or the aggregate amount of any contributions, expenditures, and other amounts reported on the form, instead of $100 or the cumulative amount stated in the late form.

2) Extends the period during which a filing officer may waive the $10 per-day penalty for filing a late SEI by prohibiting such a waiver if the statement is not filed within 30 days after a referral for the late or missing filing is filed with the Fair Political Practices Commission (FPPC), instead of within 30 days of the original deadline.

3) Repeals the $10 per-day penalty, up to $100 or the cumulative amount stated in the late form, on a filer who files a late copy of a statement or report.

FISCAL EFFECT:

1) Minor and absorbable costs to the FPPC to revise penalty procedures and related informational materials.

2) Likely minor penalty revenue loss to the FPPC and local filing agencies by clarifying the maximum penalty amount for which a late SEI filer is liable and extending the period during which such a filer may receive a penalty waiver. For reference, total SEI penalty (not just late penalty) amounts collected by the FPPC over the past three fiscal years averaged less than $50,000 annually, so revenue loss attributable to this bill would likely be a small fraction of that amount.

3) Likely negligible penalty revenue loss to the Secretary of State (SOS) and local filing agencies by repealing the penalty for filing a late copy of a statement or report. The SOS notes that such penalties function mainly as a compliance tool rather than a revenue source.

COMMENTS:

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

> This is a good governance bill which modernizes campaign finance reporting by ensuring filers aren't penalized with daily fines for simply forgetting to submit a duplicate copy of their Form 700. SB 1389 creates a more reasonable system that forgives honest mistakes while maintaining firm accountability for actual violations.

   This bill is sponsored by the FPPC and supported by California Common Cause.

2) **Background.** ***SEI Late Filers.*** An individual required to file an SEI generally files the form with the agency for which the individual is an elected official or employed. In some cases, the original SEI or a copy is filed with the FPPC. FPPC regulations generally require a filing officer to notify a filer if their statement has not been received or is incomplete. After making at least two attempts to attain compliance, the filing officer must refer the open case to the FPPC for investigation and enforcement.

   A late SEI filer is liable for a penalty of $10 per day, on top any other administrative, civil, or criminal penalty imposed for violating the PRA. Under existing law, a filing officer has the authority to waive the $10 per day penalty if the late filing was not willful and enforcement of the penalty will not further the purposes of the PRA. However, this waiver authority is limited to the 30-day period from the original deadline to file. This bill extends a filing officer's waiver authority to additionally cover the 30-day period after the filing officer has referred the late or missing filing to the FPPC. This bill also specifies that the $10 per day late SEI penalty is capped at $100 and clarifies that the maximum late penalty for other PRA statements or reports is the greater of $100 or the aggregate amount of any contributions, expenditures, and other amounts reported on the form.

   Copies of Statements or Reports. The PRA also requires candidates, committees, and other specified entities to file periodic and activity-based campaign statements and reports that disclose contributions, expenditures, and other related matters. Similar to the SEI, depending on the type of filing, an original form must be filed with the filing officer specified by the PRA, with copies of certain forms filed with another filing officer and penalties imposed for the late filing of such copies. However, existing law guiding the development of the SOS's new online and electronic disclosure system for campaign filings provides that once the system becomes operative, such copies will no longer need to be filed. This bill repeals the penalty for the late filing of a copy of a statement or report under the PRA.

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