

THIRD READING

Bill No: SB 900
Author: McNerney (D), et al.
Amended: 5/14/26
Vote: 27

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

AYES: Wiener, Choi, Allen, Cervantes, Umberg

SENATE APPROPRIATIONS COMMITTEE: 7-0, 5/14/26

AYES: Cervantes, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

SUBJECT: Political Reform Act of 1974: top contributors: disclosures

SOURCE: California State Outdoor Advertising Association
California Clean Money Campaign

DIGEST: This bill changes the disclosures required in campaign advertisements to make them shorter and take up less space, including for those on billboards.

ANALYSIS:

Existing law:

- 1) Includes the Political Reform Act (PRA), which establishes California's campaign finance and disclosure laws for state and local campaigns, candidates, officeholders, and ballot measures, and which created the Fair Political Practices Commission (FPPC) to implement, administer, and enforce the PRA.
- 2) Defines "advertisement," for the purposes of the PRA, as any general or public communication that is authorized and paid for by a campaign committee to support or oppose at least one candidate for elective office or at least one ballot measure.
- 3) Requires advertisements that support or oppose candidates or ballot measures to include disclosure statements that comply with certain formatting, display, legibility, and audibility requirements.

- 4) Requires, in most cases, these disclosure statements to disclose the committee paying for the advertisement, the top three contributors to the committee paying for the advertisement, the use of artificial intelligence in its making, and in the case of independent expenditures, a notation that reads, “This advertisement was not authorized or paid for by a candidate for this office or a committee controlled by a candidate for this office.”
- 5) Requires, in the case of a printed advertisement that is larger than those designed to be individually distributed and including yard signs and billboards, that the disclosures be in Arial equivalent type font with each line taking up a total height of at least 5% of the height of the advertisement, and printed on a solid background with sufficient contrast that is easily readable by the average viewer.
- 6) Excludes from the definition of advertisement, items such as skywriting, apparel, and small items, on which it would be very difficult to include the required disclosures.

This bill:

- 1) Allows the shortening of names of top contributors in required disclosure statements in advertisements by, among other things:
 - a) Leaving out from the beginning of the name “The,” “A,” or “An.”
 - b) Leaving out from the end of the name “and affiliated entities,” “and its subsidiaries,” “state council,” “of America,” “of California,” and enumerated other similar terms.
 - c) Replacing the name of the candidate-controlled committee with the name of the candidate and office, if the candidate is a current officeholder, followed by the word “Committee.”
 - d) Authorizing numerous common abbreviations, including “&” for “and,” “Fed.” for “Federation,” and state abbreviations (e.g., CA for California).
 - e) Authorizing the FPPC to approve additional abbreviations that are widely recognized and unambiguous in meaning.
- 2) Mandates, among many formatting changes, that disclosures in print advertisements, including billboards, appear as applicable in the following order:

- a) The notice the advertisement was created using artificial intelligence. This notice shall be separated from other disclosures by half a blank line;
 - b) The advertisement was not paid for by the candidate;
 - c) Who paid for the advertisement; and
 - d) Top contributors, which shall be listed in bold, displayed with the phrase, “Ad Committee’s Top Funders,” which shall be underlined.
- 3) Requires disclosures on billboards and other printed advertisements that are larger than those designed to be individually distributed to:
- a) List the names of top contributors separated by bullet points or numbering, instead of commas, and appear on one horizontal line, if possible.
 - b) Have each line of the disclosure take up at least the lesser of 5% of the width or the height of the billboard or other printed material.
- 4) Shortens the disclosure on an advertisement paid for by an independent expenditure to read, “Not paid for by candidate” or “Not paid for by a candidate for this office,” as applicable.

Background

The Disclose Act and Other Previous Legislation. AB 249 (Mullin, Chapter 546, Statutes of 2017) which is commonly known as the “Disclose Act,” significantly changed the content and format of disclosure statements required on campaign advertisements, in order to make the disclosures more prominent. AB 249 also established new requirements to determine which contributors must be listed on campaign advertisements by defining “top contributors” as the persons from whom the committee paying for an advertisement has received its three highest cumulative contributions of \$50,000 or more.

Since AB 249 was enacted, several other bills have modified the content and format of the required disclosure statements. Notably, AB 2188 (Mullin, Chapter 754, Statutes of 2018) required online platforms that sell political ads to make specified information about those political ads available to the public and made various changes to the format for disclosures required on electronic media ads. AB 201 (Cervantes, Chapter 555, Statutes of 2019) required a text message that supports or opposes a candidate or ballot measure to disclose the name of the candidate or committee that paid for the text message and, in certain circumstances, the top contributors to the committee.

The Disclose Act's approach was also extended to apply to initiative, referendum, and recall petitions with the passage of SB 47 (Allen, Chapter 563, Statutes of 2019). Among other things, SB 47 required that an official top funders disclosure be made either on the petition itself or on a separate sheet that identifies the name of the committee and any qualifying top contributors.

Most recently, SB 1360 (Umberg, Chapter 887, Statutes of 2022) changed the text and formatting of required disclosures on petitions, electronic media, and video campaign advertisements. It also required the disclosure of top contributors funding the advertisements on electronic media advertisements.

Comments

- 1) *Author's Statement.* California has taken several steps to increase transparency around who is paying for political ads through mail, television, radio, social media posts, text messages, and petitions. These disclosure laws increase visibility into outside groups and lead to a more transparent political advertising framework in the state, but there are gaps in California's disclosure laws. Existing rules have allowed groups to use confusing and wordy committee names that make disclosure messages cumbersome to read, especially on billboards and large print advertisements. These requirements have taken the focus away from the top funders to committees and have steered attention toward the committees themselves. California can better daylight who is paying for political advertisements by making disclosure messages easier to read.
- 2) *How Much is Too Much?* The Disclose Act provides very specific and detailed rules governing what disclosures must be made in political advertisements and how those disclosures must appear, including what must be disclosed, in what order, using specific words in a specific font, and with detailed formatting rules. This bill adds to that detail, leading to an ever more complicated landscape for disclosure rules in campaign advertisements. At some point, this level of complication makes the rules hard to understand, comply with, and enforce. This bill is an incremental step in this process.
- 3) *CARS.* In 2000, the Secretary of State (SOS) deployed, pursuant to SB 49 (Karnette, Chapter 866, Statutes of 1997), a system called 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, and the SOS reports that components of the system are no longer supported by its vendor. As a result, the system has periodically crashed and denied public access. Additionally, the SOS has indicated that the ability to make modifications to Cal-Access is very limited.

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.

Legislation in recent years, including AB 808 (Addis, Chapter 278, Statutes of 2025), has updated language throughout the PRA to conform it with filings being made via CARS when it begins to operate. These statutes will take effect when the SOS certifies that CARS is operational. Because of this, this bill amends one code section twice, once as it appears today and once as it will appear when the SOS certifies CARS.

Related/Prior Legislation

AB 950 (Solache) of 2025 was nearly identical to this bill. AB 950 was held on the suspense file in Senate Committee on Appropriations.

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

According to the Senate Committee on Appropriations:

The Fair Political Practices Commission (FPPC) indicates that it would incur first-year costs of \$211,000, and \$204,000 annually thereafter, to implement the provisions of the bill (General Fund).

SUPPORT: (Verified 5/15/26)

California State Outdoor Advertising Association (source)

California Clean Money Campaign (source)

Alliance for Democracy

California Common Cause

Courage California

Endangered Habitats League

Indivisible Green Team

League of Women Voters of California

Money Out Voters In
One individual

OPPOSITION: (Verified 5/15/26)

California Chamber of Commerce

ARGUMENTS IN SUPPORT:

The California State Outdoor Advertising Association, a co-sponsor of this bill, writes in support:

This bill provides a necessary and balanced solution to ensure both transparency and readability in political advertisements while preserving the effectiveness of billboard messaging.

California's existing laws require political advertisements to disclose their sponsors to promote transparency and inform voters. However, in the case of yard signs or billboards (particularly for committees supporting or opposing a candidate or proposition), the regulations have inadvertently resulted in disclosures that can consume up to 50% of the total space on the sign. For a committee, the top three contributors must be listed, each taking up a minimum of 5% of the sign's height/space, which can crowd out the messaging of the advertisement itself. This can make advertisements difficult to read and reduce the viability of billboards as a means of political communication. The disproportionate size of the disclosure text undermines the intent of the law by impairing legibility.

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