

Date of Hearing: July 1, 2026

ASSEMBLY COMMITTEE ON ELECTIONS
Gail Pellerin, Chair
SB 900 (McNerney) – As Amended May 14, 2026

SENATE VOTE: 39-0

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

SUMMARY: Allows the names of top campaign contributors that are required to be disclosed on campaign advertisements to be shortened or abbreviated. Makes minor changes to the formatting and text of certain required disclosures on campaign advertisements such that those disclosures can be made in a smaller amount of space. Specifically, **this bill:**

- 1) Allows the name of a top campaign contributor to be shortened in required disclosure statements on campaign advertisements, as follows:
 - a) By using any of the following abbreviations:
 - i) The two-letter postal abbreviations for states.
 - ii) Various common abbreviations, including “&” for “and;” “Co.” for “Company;” and “Prop.” for “Proposition.”
 - iii) Other abbreviations that the Fair Political Practices Commission (FPPC) determines are widely recognized and unambiguous.
 - b) Leaving out “A,” “An,” or “The” at the beginning of a name.
 - c) Leaving out specified words or phrases at the end of a contributor’s name, like “and affiliated entities,” “and its subsidiaries,” “leadership fund,” or “of California,” or other words and phrases that the FPPC determines are not essential for voters to recognize the contributor.
 - d) Replacing the name of a candidate-controlled committee with the name of the candidate, including their office if they are currently an officeholder, followed by the word “Committee.”
 - e) Replacing the name of a ballot measure committee with “Yes/No on X: Committee #” followed by the committee’s identification number.
- 2) Requires applicable disclosures in print advertisements to be displayed in the following order:
 - a) A notice the advertisement was created using artificial intelligence, followed by at least half a blank line.

- b) A notice that the advertisement was not paid for by the candidate, followed by at least half a blank line.
 - c) The identification of the committee that paid for the advertisement.
 - d) The phrase “Ad Committee’s Top Funder(s),” which shall appear on a separate line and be underlined, followed by the identification of the top contributors to the committee that paid for the advertisement, which shall be listed in bold.
- 3) Requires disclosures on print advertisements that are larger than those designed to be individually distributed, including yard signs or billboards, to list all top contributors on a single horizontal line, where possible, with the contributors separated by bullet points or numbers. Provides that the size of the text of written disclosures on such advertisements shall be the lesser of 5 percent of the height or width of the advertisement.
- 4) Shortens the disclosure statements that are required to appear on an advertisement supporting or opposing a candidate that is paid for by an independent expenditure (IE) as follows:
- a) In the case of an advertisement that is not paid for by a candidate for any office, shortens the statement from specifying that the advertisement was not authorized by a candidate or a committee controlled by a candidate to the statement “Not paid for by candidate.”
 - b) In the case of an IE advertisement that was authorized or paid for by a candidate for another office, shortens the statement from “This advertisement was not authorized or paid for by a candidate for this office or a committee controlled by a candidate for this office” to “Not paid for by a candidate for this office.”
- 5) Prohibits the inclusion of any non-required text or images in the disclosure area on a campaign advertisement.
- 6) Makes technical and clarifying changes.

EXISTING LAW:

- 1) Creates the FPPC, and makes it responsible for the impartial, effective administration and implementation of the Political Reform Act (PRA). (Government Code §§83100, 83111)
- 2) Requires advertisements that support or oppose candidates or ballot measures to include disclosure statements in specified circumstances. These required statements may include a disclosure of the committee that is paying for the advertisement, a disclosure of the top contributors to the committee paying for the advertisement, as specified, and a statement (in the case of an IE supporting or opposing a candidate) that the advertisement was not authorized by a candidate or a committee controlled by a candidate for that office. (Government Code §§84501-84514)
- 3) Requires the disclosures described above in 2) to comply with certain formatting, display, legibility, and audibility requirements. (Government Code §§84504-84504.7) Requires, in the case of a printed advertisement that is larger than those designed to be individually

distributed including yard signs and billboards, that the disclosures be in Arial equivalent type with a total height of at least 5 percent of the height of the advertisement, and printed on a solid background with sufficient contrast that is easily readable by the average viewer. Permits the text to be adjusted so it does not appear on separate horizontal lines, with the top contributors separated by a comma. (Government Code §84504.2)

FISCAL EFFECT: According to the Senate Appropriations Committee, the 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).

COMMENTS:

1) **Purpose of the Bill:** According to the author:

The Citizens United decision has opened the floodgates to political spending by SuperPACs and other outside groups, with campaign spending skyrocketing across the country. California has made several positive steps to daylight who is funding political messaging; however some disclosure messages have become cumbersome to read and confusing to voters. SB 900 will reformat disclosure messages to be shorter and easier to understand.

2) **“Disclose Act” and Related Previous Legislation:** AB 249 (Mullin), Chapter 546, Statutes of 2017, significantly changed the content and format of disclosure statements required on specified campaign advertisements in a manner that generally required such disclosures to be more prominent. AB 249 also established new requirements for determining when contributions are considered to be earmarked, and imposed new disclosure requirements for earmarked contributions to ensure that committees are able to determine which contributors must be listed on campaign advertisements. AB 249 is commonly known as the "Disclose Act." The passage of AB 249 marked the culmination of seven years of debate and negotiation over similar legislation. AB 249 took effect on January 1, 2018.

Since AB 249 was enacted, several bills have modified the content and format of the disclosure statements created by that bill. AB 2155 (Mullin), Chapter 777, Statutes of 2018, made various changes to the Disclose Act that generally were minor, clarifying, or technical in nature, or otherwise were consistent with disclosure examples that were provided by supporters when AB 249 was being considered by the Legislature. 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 required format for disclosures 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. AB 864 (Mullin), Chapter 558, Statutes of 2019, made numerous, mostly technical changes to the Disclose Act and other provisions of state law governing the content and format of disclosure statements that are required to appear on communications disseminated by candidates and committees.

More recently, SB 1360 (Umberg), Chapter 887, Statutes of 2022, made various changes to

the text and formatting of required disclosures on petitions and campaign advertisements, including allowing a committee to shorten its name in a disclosure on certain types of advertisements where longer disclosures are less practical.

- 3) **Balancing the Benefits and Burdens of Disclosure:** Campaign disclaimer laws, such as those established by the Disclose Act and related legislation, are primarily intended to promote transparency by informing the public about the entities funding political advertisements. However, these laws also recognize that strict disclaimer requirements can sometimes be impractical or overly burdensome—particularly with respect to certain forms of communication.

To address this, the Disclose Act includes exceptions and accommodations that ease disclaimer requirements in specific cases. For instance, small promotional items that cannot reasonably accommodate printed disclosures are generally exempt. Additionally, for formats like radio or prerecorded phone ads—where full disclaimers would occupy a disproportionate amount of time—the law permits abbreviated versions, disclosing fewer contributors to maintain the effectiveness and feasibility of these advertisements.

Ensuring that disclaimer requirements are reasonable is essential, as overly burdensome mandates may face legal challenges for infringing on First Amendment rights. That’s particularly true where regulations are so onerous that they deter individuals or groups from engaging in political speech.

The Disclose Act allows for shorter disclaimers on large, printed materials, such as billboards and lawn signs, recognizing that these formats require large, readable text and cannot accommodate lengthy disclosures without compromising legibility. Despite these existing accommodations, disclaimers under the Disclose Act can still occupy a significant portion of such advertisements—sometimes 50% or more of the available space.

This bill proposes modest changes to reduce the space required for disclaimers by allowing abbreviated content and minor formatting adjustments. These revisions aim to improve the practicality of compliance while also helping to safeguard the constitutionality of California’s campaign disclaimer laws by reducing the risk of them being deemed excessively burdensome.

- 4) **Arguments in Support:** One of the co-sponsors of this bill, the California State Outdoor Advertising Association (CSOAA), writes in support:

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...

SB 900 presents a thoughtful and reasonable solution by using widely recognized abbreviations to shorten contributor names, replacing repetitive legal language with clear, concise alternatives, and using the FPPC-issued committee ID number to link to full disclosure information.

- 5) **Arguments in Opposition:** The California Chamber of Commerce, which has an “oppose unless amended” position on this bill, writes:

To further promote clarity and administrable standards, we respectfully request that the bill establish clear size thresholds for advertisements deemed “larger than those designed to be individually distributed.” This phrase is not defined in the [PRA], and there is currently no bright-line rule distinguishing advertisements that are “individually distributed” from those that are not.

We recommend that the bill explicitly provide that advertisements exceeding 24 inches by 36 inches are subject to the larger-format disclaimer requirements, while those measuring up to and including 24 inches by 36 inches may continue to use 10-point font disclaimers. This approach aligns with standards adopted in other jurisdictions, including the Federal Election Commission and the Los Angeles City Ethics Commission.

In the context of regulating political speech, clarity is essential. Regulated entities should not be left to navigate ambiguous standards or engage in guesswork to comply with the requirements of the [PRA]. This ambiguity creates a “chilling effect” where persons are discouraged from speaking at all for fear of violating the [PRA]...

Accordingly, we respectfully request that SB 900 be amended to:

- Clarify that the larger-format disclaimer requirements apply only to advertisements larger than 24 inches by 36 inches, with advertisements up to 24 inches by 36 inches permitted to use 10-point font disclaimers.
 - Remove the requirement mandating blank horizontal lines between certain disclaimers.
- 6) **Previous Legislation:** This bill is similar to AB 950 (Solache) of 2025, which was approved by this committee on a 7-0 vote and by the Assembly on a 71-0 vote, but was held on the suspense file in the Senate Appropriations Committee.
- 7) **Political Reform Act of 1974:** 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.

REGISTERED SUPPORT / OPPOSITION:

Support

California Clean Money Campaign (Co-Sponsor)
California State Outdoor Advertising Association (Co-Sponsor)
Alliance for Democracy
California Alliance for Retired Americans
California Common Cause
Courage California
Endangered Habitats League
Indivisible Green Team
League of Women Voters of California
Money Out Voters In

Opposition

California Chamber of Commerce (unless amended)

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