## **Introduced by Assembly Member Ridley-Thomas**

February 18, 2016

An act to amend Section 85320 of the Government Code, relating to the Political Reform Act of 1974, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2250, as introduced, Ridley-Thomas. Political Reform Act of 1974: contribution limitations.

The Political Reform Act of 1974 imposes various limitations on contributions that may be made to, or accepted by, candidates for elective office and campaign committees that support or oppose candidates and ballot measures. The act prohibits a foreign government or principal, as defined, from making a contribution or expenditure in connection with a ballot measure. The act also prohibits a person or committee from soliciting or accepting a contribution from a foreign government or principal for this purpose.

This bill would expand the scope of these prohibitions by also prohibiting a foreign government or principal from making a contribution or expenditure, and a person or committee from soliciting or accepting this type of contribution, in connection with an election.

A violation of the act's provisions is punishable as a misdemeanor. By expanding the scope of an existing crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

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This bill would provide that no reimbursement is required by this act for a specified reason.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a  $\frac{2}{3}$  vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 85320 of the Government Code is 2 amended to read:
  - 85320. (a) No-A foreign government or foreign principal shall *not* make, directly or through any other person, any a contribution, expenditure, or independent expenditure in connection with an *election, including* the qualification or support of, or opposition to, any a state or local ballot measure.
    - (b) No-A person-and no or a committee shall not solicit or accept a contribution from a foreign government or foreign principal in connection with an election, including the qualification or support of, or opposition to, any a state or local ballot measure.
  - (c) For the purposes of this section, a "foreign principal" includes the following:
    - (1) A foreign political party.

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- 15 (2) A person outside the United States, unless either of the following is established:
- 17 (A) The person is an individual and a citizen of the United 18 States.
  - (B) The person is not an individual and is organized under or created by the laws of the United States or of any state or other place subject to the jurisdiction of the United States and has its principal place of business within the United States.
- 23 (3) A partnership, association, corporation, organization, or 24 other combination of persons organized under the laws of or having 25 its principal place of business in a foreign country.

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(4) A domestic subsidiary of a foreign corporation if the decision to contribute or expend funds is made by an officer, director, or management employee of the foreign corporation who is neither a citizen of the United States nor a lawfully admitted permanent resident of the United States.

- (d) This section—shall does not prohibit a contribution, expenditure, or independent expenditure made by a lawfully admitted permanent resident.
- (e) Any-A person who violates this section shall be is guilty of a misdemeanor and shall be fined an amount equal to punishable by a fine in the amount contributed or expended.
- SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.
- SEC. 3. The Legislature finds and declares that this bill furthers the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.
- SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to protect the process of democratic self-government for Californians in elections held in 2016 by restricting campaign contributions and expenditures made by foreign principals and foreign governments, it is necessary that this act take immediate effect.