



## Bill Analysis

Author: Committee on  
Elections

Sponsor:

Bill Number: AB 1511

Related Bills: See Legislative  
History

Introduced March 10, 2025,  
and Amended May 1, 2025

### SUBJECT

Political Reform Act of 1974 – Transferring Contributions & Voter Information Guide

### SUMMARY

This bill would, under the Government Code (GOV), clarify situations when a candidate for elective state, county, or city office would be allowed to transfer contribution funds to a committee established for the same or a different office subject to attribution rules, and not be required to refund election contributions. This bill would also make several technical changes.

### RECOMMENDATION

No position—The three-member Franchise Tax Board has not formally voted or taken a position on this bill.

### SUMMARY OF AMENDMENTS

The May 1, 2025, amendments, updated cross references.

This is the Franchise Tax Board's (FTB) first analysis of the bill and only addresses the provisions that would impact the FTB.

### REASON FOR THE BILL

The reason for this bill is to clarify when a candidate may transfer election contribution funds to a committee established for the same or different office.

### ANALYSIS

This bill would, under the GOV, provide that a candidate whose name did not appear on a primary or special primary election ballot and who did not qualify to have write-in votes cast on their behalf counted by election officials, would not be required to refund contributions and may transfer funds to a committee established for the same or different office subject to the attribution rules, relating to limitation on contributions.

*Effective/Operative Date*

This bill would be effective and operative January 1, 2026.

*Federal/State Law**Federal Law*

The Federal Election Commission (FEC) is an independent regulatory agency of the United States (U.S.) whose purpose is to enforce campaign finance law in U.S. federal elections. Created in 1974, through amendments to the Federal Election Campaign Act, the FEC describes its duties as “to disclose campaign finance information, to enforce the provisions of the law such as the limits and prohibitions on contributions, and to oversee the public funding of Presidential elections.”

*State Law*

In 1974, California voters passed Proposition 9, also known as the Political Reform Act (Act), that created the Fair Political Practices Commission and codified significant restrictions and prohibitions on candidates, officeholders, and lobbyists. The Act provides rules for transferring campaign funds from one controlled committee to another, requires a candidate for elective state office to report to the Secretary of State (SOS) disclosing receipt of contributions of \$1,000 or more during an election cycle, and limits the amount of contributions a candidate can accept for elective state, county, or city office after the election to the amount of net debts outstanding from the election, as prescribed.

Current state law provides that a candidate for elective state, county, or city office may raise contributions for a general election before the primary election and for a special general election before a special primary election, for the same elective state, county, or city office if the candidate sets aside these contributions and uses these contributions for the general election or special general election. If a candidate loses in a primary or special primary election or withdraws from a general election or special general election, they are required to refund the contributions they received less expenses. Candidates who did not file a declaration of candidacy to qualify for a primary or special primary election are not considered “defeated in” or “withdrawn from” an election and are not required to refund contributions. They may transfer funds to another campaign committee established for the same or different office subject to the attribution rules.

The FTB is responsible for the independent audit and field investigations of the reports and statements filed with the SOS, relating to campaign disclosures, campaign contributions and limitations, and lobbying firms and lobbyist employers, as well as the audit and investigation of local candidates and their controlled committees selected for audit.

#### *Implementation Considerations*

None noted.

#### *Technical Considerations*

None noted.

#### *Policy Considerations*

None noted.

### **LEGISLATIVE HISTORY**

SB 948 (Limon and Zbur, Chapter 125, Statutes of 2024) clarifies that a candidate who does not file a declaration of candidacy, is not required to refund the contribution they received and may transfer them to a committee for the same or different office. Specifies that a candidate who received majority vote and does not need to advance to the general election, to carry over the funds raised to the same office.

SB 459 (Allen, et al., Chapter 873, Statutes of 2022) requires additional disclosure on required reports and increases the frequency of reports to be filed by lobbying entities, as specified. This bill also requires additional disclosures on issue lobbying advertisements, as specified.

SB 1239 (Hertzberg, Chapter 662, Statutes of 2018) among other changes associated with filing campaign and lobbying reports to the Cal-Access Replacement System (CARS), eliminated the requirement to file paper copies of lobbying reports required to be filed online or electronically upon the certification of CARS by the SOS.

AB 1217 (Mullin, 2019/2020), among other provisions, would have required individuals who make payments for "electioneering communications or "issue lobbying communication" to make specified disclosures. This bill did not pass out of the Senate by the constitutional deadline.

SB 569 (Glazer, 2023/2024), would have amended provisions relating to the Political Reform Act of 1974, by transferring lobbyist audit responsibilities from the FTB to the Commission if an appropriation is made. This bill was referred to the Assembly Committee on Appropriations and was held under submission.

SB 1404 (Glazer, 2023/2024), would have amended provisions relating to the Political Reform Act of 1974, by transferring lobbyist audit responsibilities from the FTB to the Fair Political Practices Commission. This bill did not pass out of the Assembly by the constitutional deadline.

## **PROGRAM BACKGROUND**

The Political Reform Audit (PRA) program within the FTB is responsible for conducting audits of state and local candidates, general purpose committees, and lobbying entities mandated by the Political Reform Act of 1974. PRA determines who to audit based on set criteria and random draws conducted by the Fair Political Practices Commission or by automatic mandate (Government Code section 90001). Candidates must file Form 501, Candidate Intention Statement, with their filing officer (SOS, city clerk or county registrar) before raising campaign funds. The PRA reviews this information as part of their audit.

## **OTHER STATES' INFORMATION**

None noted.

## **FISCAL IMPACT**

This bill would not significantly impact the FTB's costs.

## **ECONOMIC IMPACT**

### *Revenue Estimate*

This bill as amended on May 1st, 2025, would not impact state income or franchise tax revenue.

## **LEGAL IMPACT**

None noted.

## **EQUITY IMPACT**

None noted.

## **APPOINTMENTS**

None noted.

## **SUPPORT/OPPOSITION**

Committee Report Senate Elections and Constitutional Amendments, dated July 11, 2025

*Support*

None on file.

*Opposition*

None on file.

## **ARGUMENTS**

Committee Report Senate Elections and Constitutional Amendments, dated July 11, 2025

*Proponents*

None on file.

*Opponents*

None on file.

## **LEGISLATIVE CONTACT**

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