



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites	
------	------------------	----------------	--------------	-----------------	------------------	--------------	--

Code: Section:

[Up^](#) [Add To My Favorites](#)

GOVERNMENT CODE - GOV

TITLE 9. POLITICAL REFORM [81000 - 91014] (Title 9 added June 4, 1974, by initiative Proposition 9.)

CHAPTER 10. Auditing [90000 - 90009] (Chapter 10 added June 4, 1974, by initiative Proposition 9.)

90000. Except as provided in Section 90006, the Franchise Tax Board shall make audits and field investigations with respect to the following:

(a) Reports and statements filed with the Secretary of State under Chapter 4 (commencing with Section 84100), Chapter 5 (commencing with Section 85100), and Chapter 6 (commencing with Section 86100).

(b) Local candidates and their controlled committees selected for audit pursuant to subdivision (i) of Section 90001.

(Amended by Stats. 2004, Ch. 483, Sec. 3. Effective January 1, 2005. Note: This section was added on June 4, 1974, by initiative Prop. 9.)

90001. Audits and investigations shall be made pursuant to Section 90000 with respect to the reports and statements of:

(a) Each lobbying firm and each lobbyist employer who employs one or more lobbyists shall be subject to an audit on a random basis with these lobbying firms or lobbyist employers having a 25-percent chance of being audited. When a lobbying firm or lobbyist employer is audited, the individual lobbyists who are employed by the lobbying firm or the lobbyist employer shall also be audited.

(b) Each statewide, Supreme Court, court of appeal, or Board of Equalization candidate in a direct primary or general election for whom it is determined that twenty-five thousand dollars (\$25,000) or more in contributions have been raised or twenty-five thousand dollars (\$25,000) or more in expenditures have been made, whether by the candidate or by a committee or committees controlled by the candidate or whose participation in the direct primary or general election is primarily in support of the candidate's candidacy. Each statewide candidate whose contributions and expenditures are less than twenty-five thousand dollars (\$25,000) shall be subject to an audit on a random basis of 10 percent of the number of such candidates.

(c) Each candidate for the Legislature or superior court judge in a direct primary or general election shall be subject to audit by random selection if it is determined that fifteen thousand dollars (\$15,000) or more in contributions have been received or fifteen thousand dollars (\$15,000) or more in expenditures have been made, whether by the candidate or by a committee or committees controlled by the candidate or primarily supporting the candidate's candidacy. Random selection shall be made of 25 percent of the Senate districts, 25 percent of the Assembly districts, and 25 percent of the judicial offices contested in an election year.

(d) Each candidate for the Legislature in a special primary or special runoff election for whom it is determined that fifteen thousand dollars (\$15,000) or more in contributions have been raised or fifteen thousand dollars (\$15,000) or more in expenditures have been made, whether by the candidate or by a committee or committees controlled by the candidate or primarily supporting the candidate's candidacy.

(e) Each controlled committee of any candidate who is being audited pursuant to subdivision (b), (c), or (d).

(f) Each committee, other than a committee specified in subdivision (c) of Section 82013, primarily supporting or opposing a candidate who is being audited pursuant to subdivision (b), (c), or (d) if it is determined that the committee has expended more than ten thousand dollars (\$10,000).

(g) Each committee, other than a committee specified in subdivision (c) of Section 82013, whose participation is primarily in support of or in opposition to a state measure or state measures if it is determined that the committee has expended more than ten thousand dollars (\$10,000) on such measure or measures.

(h) Each committee, other than a committee defined in subdivision (c) of Section 82013, a controlled committee or a committee primarily supporting or opposing a state candidate or measure, if it is determined that the committee has raised or expended more than ten thousand dollars (\$10,000) supporting or opposing state candidates or state measures during any calendar year, except that if the commission determines from an audit report that a committee is in substantial compliance with the provisions of the act, the committee thereafter shall be subject to an audit on a random basis with each such committee having a 25-percent chance of being audited.

(i) (1) With respect to local candidates and their controlled committees, the commission shall promulgate regulations which provide a method of selection for these audits.

(2) With respect to candidates for the Board of Administration of the Public Employees' Retirement System, the commission shall promulgate regulations that provide a method for selection of these audits. The Public Employees' Retirement System shall reimburse the commission for all reasonable expenses incurred pursuant to this section.

(j) In accordance with subdivisions (a), (b), (c), and (h), the Fair Political Practices Commission shall select by lot the persons or districts to be audited on a random basis. For campaign audits the selection shall be made in public after the last date for filing the first report or statement following the general or special election for which the candidate ran, or following the election at which the measure was adopted or defeated. For lobbying firm and lobbyist employer audits, the selection shall be made in public in February of odd-numbered years.

(Amended by Stats. 2021, Ch. 50, Sec. 232. (AB 378) Effective January 1, 2022. Note: This section was added on June 4, 1974, by initiative Prop. 9.)

90002. (a) The scope of audits and investigations under Section 90001 is as follows:

(1) Audits and investigations of lobbying firms and employers of lobbyists shall be conducted biennially covering reports filed during the previous two-year period. If a lobbying firm or lobbyist employer keeps a separate account for all receipts and payments for which reporting is required by this chapter, the requirement of an audit under subdivision (a) of Section 90001 shall be satisfied by an audit of that account and the supporting documentation required to be maintained by Section 86110.

(2) For campaign statements or reports of a candidate, controlled committee, or committee primarily supporting or opposing a candidate, the audit or investigation shall cover all campaign statements and reports filed for the primary and general election, or a special or runoff election, as well as any previous campaign statements or reports filed since the last election for that office. The audit or investigation shall not include statements or reports previously audited under Section 90001 or 90003.

(3) For campaign statements or reports of a committee primarily supporting or opposing a measure, the audit or investigation shall cover all campaign statements and reports filed by the committee in connection with the measure.

(4) For all other committees, the audit or investigation shall cover all campaign statements and reports filed during the previous two calendar years.

(b) The audit or investigation periods may be extended to include any transaction that relates to or is connected with the election being audited or investigated or the two-year period.

(c) An audit or investigation conducted under Section 90001 shall not include campaign statements or reports filed in conjunction with an election for any other office.

(d) This section shall not be interpreted to act as a limit on the Franchise Tax Board or the Commission in undertaking a discretionary audit under Section 90003.

(Repealed and added by Stats. 2019, Ch. 312, Sec. 22. (AB 902) Effective January 1, 2020.)

90003. In addition to the audits and investigations required by Section 90001, the Franchise Tax Board and the Commission may make investigations and audits with respect to any reports or statements required by this title.

(Amended by Stats. 2014, Ch. 9, Sec. 5. (AB 800) Effective April 3, 2014. Operative July 1, 2014, by Sec. 11 of Ch. 9. Note: This section was added on June 4, 1974, by initiative Prop. 9.)

90004. (a) The Franchise Tax Board shall periodically prepare reports, which, except as otherwise provided in this section, shall be sent to the Commission, the Secretary of State, and the Attorney General. If the reports relate to candidates for or committees supporting or opposing candidates for the office of Attorney General, the reports shall be sent to the Commission, the Secretary of State, and the District Attorneys of the Counties of Los Angeles, Sacramento, and San Francisco. If the reports relate to local candidates and their controlled committees, the reports shall be sent to the Commission, the local filing officer with whom the candidate or committee is required to file the originals of campaign reports pursuant to Section 84215, and the district attorney for the candidate's county of domicile.

(b) The Franchise Tax Board shall complete its report of any audit conducted on a random basis pursuant to Section 90001 within two years after the person or entity subject to the audit is selected by the Commission to be audited.

(c) The reports of the Franchise Tax Board shall be public documents and shall contain in detail the Franchise Tax Board's findings with respect to the accuracy and completeness of each report and statement reviewed and its findings with respect to any report or statement that should have been but was not filed. The Secretary of State and the local filing officer shall place the audit reports in the appropriate campaign statement or lobbying files.

(Amended by Stats. 2014, Ch. 9, Sec. 6. (AB 800) Effective April 3, 2014. Operative July 1, 2014, by Sec. 11 of Ch. 9. Note: This section was added on June 4, 1974, by initiative Prop. 9.)

90005. A member, employee, or agent of the Franchise Tax Board or the Commission shall not divulge or make known in any manner the particulars of any record, documents, or information that the individual receives by virtue of this chapter, except in furtherance of the work of the Franchise Tax Board or the Commission or in connection with a court proceeding or the lawful investigation of any agency.

(Amended by Stats. 2021, Ch. 50, Sec. 233. (AB 378) Effective January 1, 2022. Note: This section was added on June 4, 1974, by initiative Prop. 9.)

90006. Audits and field investigations of candidates for Controller and member of the Board of Equalization and of committees supporting such candidates shall be made by the Commission instead of the Franchise Tax Board.

(Added June 4, 1974, by initiative Proposition 9.)

90007. (a) The commission shall adopt auditing guidelines and standards which shall govern audits and field investigations conducted under Section 90001. The guidelines and standards shall be formulated to accomplish the following purposes:

- (1) The audits should encourage compliance and detect violations of this title;
- (2) The audits should be conducted with maximum efficiency in a cost-effective manner; and
- (3) The audits should be as unobtrusive as possible consistent with the foregoing purposes.

(b) In adopting its guidelines and standards the commission shall consider relevant guidelines and standards of the American Institute of Certified Public Accountants to the extent such guidelines and standards are applicable and consistent with the purposes set forth in this section.

(Added by Stats. 1978, Ch. 779.)

90008. (a) It is the intent of the Legislature that the people of California have timely access to information concerning the campaign contributions and expenditures of all committees, corporations, and individuals, and that this information be provided before the election, when it is relevant, in accordance with the requirements of this title. It is the further intent of the Legislature that the Commission ensure that these disclosures are being made, and that this title be liberally construed and any judicial process be expedited to achieve this purpose.

(b) The Commission, and the Franchise Tax Board at the direction of the Commission, may audit any record required to be maintained under this title to ensure compliance with this title prior to an election, even if the record is a report or statement that has not yet been filed.

(Added by Stats. 2014, Ch. 9, Sec. 8. (AB 800) Effective April 3, 2014. Operative July 1, 2014, by Sec. 11 of Ch. 9.)

90009. (a) To further the purposes of this title, the Commission may seek injunctive relief in a superior court to compel disclosure consistent with this title.

(b) A court shall grant expedited review to an action filed pursuant to subdivision (a) as follows:

- (1) The court shall conduct an expedited hearing with an opportunity for the defendant to respond.
- (2) Briefs of the parties shall be required pursuant to an expedited schedule.

(c) A superior or appellate court may, at its discretion, grant a stay of an order granting relief pursuant to subdivision (a).

(Added by Stats. 2014, Ch. 9, Sec. 9. (AB 800) Effective April 3, 2014. Operative July 1, 2014, by Sec. 11 of Ch. 9.)