



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
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To: Chair Silver, Commissioners Baker, Brandt, Ortiz, and Wilson

From: Chloe Hackert, Education & External Affairs Unit Manager, Legal Division

Subject: Updates to Expenditure Codes for Campaign Reporting

Date: February 3, 2025

Attached for your approval are updates to expenditure codes for reporting campaign activity by committees that will take effect upon the certification of the Secretary of State's Cal-Access Replacement System (CARS) project. Proposed changes are recommended for implementation into the new CARS system while it is being built.

In response to the CARS project and recent changes in legislation and Commission regulations, the instructions and descriptions of the expenditure codes for reporting campaign activity have been revised. The updated expenditure codes reflect current campaign expenditure practices and terminology reported by filers. These up-to-date expenditure codes and descriptions will lead to more consistent reporting practices amongst filers and committee treasurers.

The Office of the Secretary of State (SOS) requested that the FPPC approve new expenditure codes so the codes can be integrated as the new reporting system is being built. On December 23, 2024, FPPC staff initially published the proposed updated expenditure codes as a part of an updated Form 460 (Recipient Committee Campaign Statement) for public review and comment. The FPPC received multiple public comments inquiring about the effective date of the updated expenditure codes on Form 460. Upon further review and research, SOS determined the proposed updates to Form 460 could not be implemented with the existing Cal-Access system. Therefore, these proposed changes to the expenditure codes are presented independently, not on Form 460, and will not take effect until the new CARS system goes live.

For consistency across all campaign filing platforms, the FPPC plans to work with other electronic filing vendors for campaign statements to help with the implementation of these future changes in their e-filing systems. For any future updates to Form 460, FPPC staff supports a delayed implementation to be at the beginning of a reporting period (e.g., 1/1 or 7/1) during a calendar year to aid with consistency in reporting campaign expenditures. The FPPC is committed to keeping the public and regulated community updated on any future changes to Commission forms and reporting practices.

The draft expenditure codes were made available on the Commission's website in December and January for public review and comment. Changes were made to the expenditure codes as a result of public comments received from the Assembly Elections Committee, California Political Treasurers Association (CPTA), and California Political Attorneys

Association (CPAA). The proposed changes are highlighted in yellow. Changes made as a result of the comment period are highlighted in green.

We recommend your approval of the following:

- Expenditure Codes