State of California, Secretary of State

Minutes of the CLAIMS User's Group Meeting

August 10, 1999

Secretary of State's Office, Sacramento, CA

In attendance were:

Caren Daniels-Meade, Political Reform Division
Steve Kawano, Information Technology Department
David Hulse, Political Reform Division
David Harris, Information Technology Department
Brian Gangler, Information Technology Department
John Keplinger, Political Reform Division
Lisa Leong, Political Reform Division
Jeannette Lehman, Political Reform Division
Wayne Cox, SAIC
Lisa Eichler, SAIC
John Krivacic, Booz-Allen & Hamilton
Gloria Marsh, SAIC
Georgeen Newel, SAIC
Mike Shulem, Data+ Imagination
Jerry Nottleson, Franchise Tax Board
David Montgomery, Netfile
Kerry Murphy, Nielsen Merksamer
Virginia Crespo, League of Women Voters
Rich Eichman, CPA
Carla Wardlow, Fair Political Practices Commission
Andrew Massey, San Francisco Ethics Commission
Joe Lynn, San Francisco Ethics Commission
Henry Feldkamp, DIIS, City of San Francisco
Srinivasa Kalakoti, SAIC
Darryne T. Agar, SAIC
Belinda Gross, Olson, Hagel et al.
Sheila Scally, Olson, Hagel
Lap Tam, Olson, Hagel
Rick Ehrlinspiel, GoldenPoint
Mark Arquette, GoldenPoint
Jim Knox, California Common Cause
Saskia Mills, California Voter Foundation
Kim Alexander, California Voter Foundation

Distributed were a copy of the PowerPoint presentation of the slides (which are incorporated into these minutes) and a two-page filing deadlines sheet for the 2000 election cycle, attached.

Meeting Overview

Steve Kawano, Project Manager from the ITD side of the Secretary of State, presented the meeting overview:

- Purpose
  - Establish the user's group and obtain public feedback
  - Communicate project objectives and status
  - Public Disclosure
    - Identification of potential users
    - Provide an overview of the system's planned disclosure capabilities
  - Electronic Filing
    - FPPC campaign form changes
    - Certification process
    - Filing format status/issues

Introductions

- Campaign & Lobbyist Automated Information Management System (CLAIMS) Team Members
  - Caren Daniels-Meade, Chief, Political Reform Division (PRD)
  - David Hulse, Project Manager, Political Reform Division (PRD)
  - Steve Kawano, Project Manager, Information Technology Division (ITD)
  - Wayne Cox, Project Manager, Science Applications International Corporation (SAIC)
  - David Harris, Internet Developer, Information Technology Division (ITD)
  - Lisa Eichler, Internet Developer, Science Applications International Corporation (SAIC)

User's Group Purpose

- Disseminate information to the public related to the capabilities of the CLAIMS system
- Establish communication paths and obtain feedback related to public's disclosure needs
- Establish electronic filing focus group

Project Objectives and Status

- SB 49 Requirements
- Objectives
- Status

SB-49 Requirements

- The SOS, in consultation with the Fair Political Practices Commission, shall:
  - Develop an on-line filing process compliant with the Political Reform Act of 1974
  - Define a non-proprietary standardized record format or formats using industry standards for the transmission of the data -- which we have done by providing both the CAL and the X12 file format options
  - Make the format or formats public no later than September 1, 1999 -- version 7 is coming out probably this week and this information is constantly updated on our Internet site
  - Accept test filings from vendors and others wishing to file electronically, to determine compliance with the standardized format and compatibility with the Secretary of State's electronic filing system and publish a list of qualifying vendors
  - Make the data available on the Internet

Project Objectives

- Campaign and Lobbyist Automated Information Management System (CLAIMS)
  - Project to develop electronic filing and disclosure system
    - Accept filings from certified entities and vendor software
    - Disclose data from the filings to the public via the Internet
    - Support enforcement requirements of the Political Reform Act of 1974
  - Support filing of 400 and 600 series forms (Campaign and Lobbying disclosure and registration Statements)

Project Status

- **Current Status**
  - Project started on 25 January 1999
  - The project team is accomplishing the first system build
  - Testing of the build will commence toward the beginning of next month; we've been building the test environment on separate servers so we can test and then open for vendors to begin testing
  - First X12 Implementation Conventions (ICs) released to the SOS this week
- **Key Milestones and filing dates**
  - Begin accepting test filings - Sept 99 (CAL format X12 to follow)
  - First electronic Campaign Filing 1st Pre-Election filing by January 27, 2000

- The first lobbyist electronic filing (First Quarterly Report - period ending 3/31/2000) by May 1, 2000

Public Disclosure

- Current plan is to provide access to all disclosure data (except as identified below) and reports that are available to State agencies (SOS, FPPC, and FTB) to the public as well
  - Provide searchable Adobe Acrobat PDF documents containing forms generated from the electronically-filed data
  - Query results provided on screen and in a format that allows them to be imported into a database or spreadsheet
  - System will contain filing history data from legacy Campaign and Lobbyist Systems
    - Lobbyist has current session and prior 2 sessions -- entity relationships will show up for these same periods
    - Campaign shows all filings received at SOS since 1974 -- filing dates, but obviously not the actual data on those forms
  - Building number, street name, and telephone numbers suppressed from public view (some question as to whether the addresses and telephone numbers of treasurers and the committees themselves must be suppressed -- Secretary of State to investigate and report back to concerned parties)
- Examples of queries
  - Ability to trace contributor across multiple disclosure statements and filers
  - Identify number of committees managed by a specific treasurer
  - Determine top XX contributors for a specific filer
  - Contributors, Payees, or Filers by city, state, and zip code
  - Campaign contributions made by lobbying firm and lobbyist employer and lobbyist
  - Identification numbers of recipient committees
  - And many, many, more ☺ (to be developed in conjunction with User's Group, news media and other interested parties.) Caren pointed out that we intend to host a meeting with the news media and public interest groups to specifically discuss what their needs and interests are in terms of query capabilities and data presentation, and Secretary of State hopes to set up the meeting within the next two weeks

Public Disclosure

- Lobbyist Directory
  - Similar to current directory
  - Current at all times based on data filed with Secretary of State -- Dave Hulse also pointed out that we'll be adding history of lobbyist relationships to this as well -- can track additions and deletions so will know who has lobbied for whom
- Example Screens
  - Main Screen
  - Filing History

- Sample Filing

Question was asked if the fine and late filing history will also include all related correspondence -- Secretary of State to mull this over, but indicated it is our intention to scan in all related correspondence

Electronic Filing

- FPPC Campaign Form Changes
- Certification Process
- Filing Format Status/Issues

FPPC Campaign Form Changes

- Changes
  - Form 460 replaces 419, 420, 490; new 460 needs to be designed for file formats for both CAL and X12 -- top priority
  - Deleted Forms 415 and 416
  - Revised Forms 410, 461, 496, and 497
  - 498 - new form for Slate Mailers

While Dave Hulse pointed out how cooperatively we've worked with the FPPC in getting these forms revisions accomplished and that the legislative portion will be shepherded through next year with a 1/1/01 effective date, Carla Wardlow of the FPPC noted that Senator Sher has a bill before the Legislature currently that might make changes to the Form 496 because late independent expenditure reports for general purpose committees would require provide additional disclosure information -- it's SB762 -- -- and if it passes, it will be effective 1/1/00 (note: this actually appears to be urgency legislation so it would be effective when signed by the Governor)

- We are in the process of updating the CAL filing format to reflect these form changes

Certification Process

- Registration of intent to be certified
  - Registration includes: forms to be supported, file formats, and estimated dates of availability -- will publish on our web site in September; will also solicit cost information -- pricing schedules from vendors who intend to provide this software
- Proposed three-phase test plan presented by David Harris
  - Optional self test with vendor data and automated evaluation -- automated test server on the Internet was requested under EFPOC and we intend to provide it for this system; comments from vendors indicated that even though it was extremely hard to work with the test data in EFPOC, such challenging test data is necessary in order to expose problems that would not have otherwise been detectable (David

Montgomery of NetFile suggested we "push forms to limits of nightmare" in order to ensure good tests)
   - Preliminary test with SOS data and automated evaluation -- will test security too, of course
   - Certification test with SOS data and SOS evaluation -- will be some manual review as well

Comments and questions -- Secretary of State intends to issue passwords to treasurers and if an assistant treasurer files, treasurer will have to provide the password. Vendors indicated they still want some form of acknowledgement that a filing has been received and expressed concern that such would not occur in 2000 when we have so many filers participating. Secretary of State reassured vendors/filers that acknowledgements will occur and are being automated into the process -- filer will receive an e-mail and a fax confirmation, if such have been provided to us.

- Issues discussion coordinated David Harris
   - Intended and certified vendors to be listed on the project web site -- Secretary of State will post them on the Internet
   - Registration by individual forms or by form groups? Participants uniformly agreed they prefer to be certified on a form-by-form basis.
   - Possible demonstration day for certified software providers -- this idea was well-received by the participants
   - Certification deadline before each filing deadline -- David Harris asked how close to the cut-off for filing deadlines the certification should be required to occur. No decision was made, although a few indicated hours prior would be acceptable to them (this was a cynical comment not intended to be taken seriously).

Questions/issues: If forms change, must we re-certify vendors? Answer was yes, for each form change that form must be certified by us for use in electronically filing the form. Audience asked what the intended transmission protocol would be and was told an open Internet protocol to Secretary of State servers is the current intention, with SSL vs. SDR under consideration at the moment. There is an issue about the key length under the two options. Vendors do not want to have to download and then upload again, and Secretary of State was receptive to that concern. Vendors asked if there is any consideration of providing DLL's to vendors? Secretary of State said this needs further discussion and there's not been a decision made, but we are NOT considering doing software downloads to clients. Issue of print rendering and whether Secretary of State will be providing that much; Harris indicated we are pushing for a thin client architecture

Filing Format Status/Issues

Discussion coordinated by Steve Kawano, Wayne Cox and David Hulse

- Update process
   - Submit change requests or problems to Dave Hulse
   - We will post and status them on SOS web site
- Moniker
   - Evaluating inclusion of monikers in the filing format
- X12 Status

- Received first example of an IC yesterday; LMI is doing the Implementation Conventions; schedule calls for releasing IC's incrementally until December but we will release the first set received this week once we get the IC's for the new Form 460 (LMI had done the 490 and it's not obsolete); we will post these very lengthy IC's as PDF files on our Internet page because they are so large
  - Forms 490, 465, 495 and 497 (the current draft IC is a 427-page document)
- Evaluating impact of FPPC forms changes to X12 ICs

■ EFPOC 490

- Evaluating options of elimination or modification of this filing format to support FPPC changes -- NetFile indicated if the CAL format for 460 could be made available within one month, they'd convert to all CAL and will not need to have EFPOC supported; Olson, Hagel indicated the same was true for them, although they have concerns about the non-monetary contributions and accrued expenses issue that they had raised at the FPPC meeting Friday when forms changes were adopted. San Francisco Ethics Commission indicated their system is up and running as of 7/1/99 and it's all in the EFPOC format, so there are cost implications if they're the only ones who will be using that format in the future for electronic filing. Dave Hulse explained the Secretary of State's Executive Steering Committee concept and indicated the committee will decide within the next week or so if there is any need to continue to support EFPOC.

Contacts

- David Hulse, Business Project Manager
  dhulse@ss.ca.gov
  (916) 653-7043
  FAX (916) 653-5045
- Steve Kawano, IT Project Manager
  skawano@ss.ca.gov
  (916) 653-2744

At this point, the forum was opened for any discussion of related issues and the following items were discussed:

David Montgomery, NetFile -- indicated the urgency of needing the 460 CAL format definitions -- Steve Kawano indicated we will have it by 8/27/99

David Montgomery indicated the need for more notes and memo fields in the CAL format definitions -- wants the field that is now a 90-character field to be expanded to 400 characters in a delimited format, not fixed-length format, to allow for other vendors who want it shorter to use a shorter field (Mike Shulem from Data + Imagination had wanted the field to remain at 90, but with the delimited format, it's not a problem for him); several people in the audience provided excellent examples of why such notation fields are needed (example sponsored general purpose committee intermediary for a contribution -- can't file that way electronically; special election third column cumulative total has nowhere to be placed); want three-field record structure to use anywhere -- Identify the form, schedule code, and whatever you want to say.

Amendment process was briefly discussed again and it was clarified we'd changed CAL in the 6th version to required complete replacements and sequential numbering of amendments, but retaining original filings and all amendments -- vendor will retransmit the entire form; it's possible the Secretary of State will develop a utility to compare and highlight what the changes were

Discussion of phone number of treasurer and campaign committees being on the Internet -- Kim Alexander from California Voter Foundation wanted it clarified that such information WILL be on the Internet and that only the contributor street addresses and phone numbers need to be suppressed under SB 49. While this interpretation was supported by both Secretary of State and FPPC representatives, it was subsequently pointed out that the language of SB 49 may not even allow for the treasurers and committee addresses and phone numbers (of the filers) to be published on the Internet.

Kim Alexander also asked if there would be a link with the Elections Division's candidate database and Steve Kawano reassured audience that such a link will be available.

Question arose regarding what will occur with the database when a lobbyist makes a campaign contribution and would normally refer to the campaign disclosure filing for this information -- if the information appears on the lobbyist report and the campaign disclosure report, will the database know this is a duplicate? Wayne Cox and Secretary of State staff indicated there will be internal crosschecks for consistency between filings and duplicates would not occur under this scenario because they are two separate types of filings; Wayne indicated it's one database but two separate tables (one for campaign and one for lobbyists).

Dave Hulse pointed out again that the first electronic filings will occur on 1/27/00 with the 1/1/00 - 1/22/00 filing period for campaigns and on 5/1/00 for the period 1/1/00 - 3/31/00 period for lobbyists.

Group indicated very strong desire to continue having Users' Group meetings -- desired to be held once per month, but asked that the October meeting be held AFTER the Oct. 11 filings.

Tentatively set Sept. 8, 1999 at 10 a.m. for the next Users' Group meeting.

Meeting adjourned 11:55 a.m.

Respectfully submitted,

Joyce Geerling
Executive Assistant, Political Reform Division