

1 Amend 2 Cal. Code Regs. Section 18531 to read:

2 **§ 18531. Return of or Attribution of Excessive Contributions.**

3 ~~(a) A committee may return a contribution, or a portion thereof, that exceeds an~~
4 ~~applicable contribution limit to the contributor within 14 days of receiving the contribution~~
5 ~~without violating the contribution limits set forth in Sections 85301, 85302, and 85303, so long~~
6 ~~as the committee does not:~~

7 ~~(1) Deposit or allow deposit of the contribution with actual knowledge that the~~
8 ~~contribution exceeds the applicable limit.~~

9 ~~(2) Make use of the contribution prior to returning it.~~

10 ~~(b) For purposes of subdivision (a), a committee makes use of a monetary contribution if,~~
11 ~~after receiving the contribution, it makes expenditures exceeding what the committee's available~~
12 ~~cash balance would be had it not received the contribution and any other contributions that~~
13 ~~exceed the applicable contribution limit.~~

14 (a) Attribution. A committee that elects to attribute a contribution, or a portion thereof,
15 that exceeds the applicable contribution limit set forth in Section 85301, 85302, 85303, or 85316
16 to another election pursuant to Section 85319.5(a) or (b) must obtain written confirmation from
17 the contributor that the contribution may be attributed to a different election except the
18 committee may attribute a contribution, or a portion thereof, between a primary and general
19 election for the same term of office without obtaining prior permission from the contributor.

20 (b) Non-monetary contributions. A committee that receives a non-monetary contribution
21 whose fair market value, or a portion thereof, exceeds a contribution limit set forth in Section
22 85301, 85302, 85303, or 85316, may return the non-monetary contribution, or a portion thereof,
23 either in its original form or in a monetary equivalent, or attribute the portion of the non-

1 monetary contribution whose fair market value exceeds the limit to another election by
2 attributing the excess amount to another election or attributing the monetary equivalent of the
3 contribution to another committee established for another election. The return or attribution of a
4 non-monetary contribution pursuant to Section 85319.5 must occur within 14 days of receiving a
5 contribution and the committee may not make use of the non-monetary contribution prior to its
6 return or attribution.

7 ~~(e) A non-monetary contribution may be returned to the contributor within the deadline~~
8 ~~prescribed in subdivision (a) either in its original form, or in a monetary equivalent greater than~~
9 ~~or equal to the amount by which its value exceeds an applicable contribution limit.~~

10 ~~(d) (c) Making Over-the-Limit Contributions.~~ This regulation shall not be construed to
11 authorize the making or solicitation of any contribution in excess of the contribution limits of
12 Sections 85301, 85302, ~~and 85303,~~ and 85316.

13 ~~(e) (d) Contributions not for Candidates.~~ ~~Notwithstanding subdivisions (a) through (e),~~
14 ~~contributions~~ Contributions to a committee, other than a candidate controlled committee, which
15 are earmarked for purposes other than making contributions directly to candidates for elective
16 office, shall not be deemed in excess of limits and need not be returned, provided the
17 contributions are deposited to a separate account within ~~the deadline prescribed in subdivision~~
18 ~~(a):~~ the applicable time period as prescribed by either Section 85319.5(a) or (b), depending on
19 whether the committee has actual knowledge that the contribution exceeds the applicable limit.

20 ~~(f) (e) Reporting.~~ A contribution returned or attributed, in whole or in part, under ~~this~~
21 ~~regulation~~ Section 89519.5, must be reported as a contribution in its entirety pursuant to Chapters
22 4 and 5 of the Act if ~~the contribution is deposited in the committee's bank account.~~ the

1 committee deposits the contribution in its bank account. The amount returned or attributed must
2 also be reported.

3 (1) A committee that elects to automatically attribute a contribution, or a portion thereof,
4 that is in excess of the applicable limit between the primary and general elections as prescribed
5 by Section 85319.5(d)(2) must disclose the cumulative totals of contributions received for both
6 the primary and the general elections, respectively, in accordance with Regulation 18421.4.

7 (2) An amount transferred to another committee must be reported by the transferring
8 committee as an expenditure.

9 (3) An amount attributed to another committee must be reported by the receiving
10 committee as a contribution from the original contributor and identify the attributing committee
11 as an intermediary pursuant to Section 84302.

12 (f) Notification. For purposes of Section 85319.5(c), a committee shall be deemed to have
13 “informed” a contributor that their contribution was in excess of the applicable contribution limit
14 if the committee sends written notification to the contributor noting that their contribution
15 exceeded the applicable limit by the applicable deadline for returning or attributing the
16 contribution or excess portion thereof. A committee required to send notification to a contributor
17 that their contribution, or a portion thereof, was automatically attributed under Section
18 85319.5(d)(2) and that they may request a refund as required by Section 85319(c) must send
19 such notification in writing and at the same time as informing the contributor that their
20 contribution exceeded the applicable limit.

21 Note: Authority cited: Section 83112, Government Code. Reference: Sections 84302, 85301,
22 85302, ~~and~~ 85303, 85316, and 85319.5, Government Code.