

1 Amend 2 Cal. Code Regs., Section 18544 to read:

2 **§ 18544. Campaign Contribution and Voluntary Expenditure COLA Formula.**

3 (a) For purposes of Government Code Section 83124, beginning the year 2002 the cost of
4 living adjustment shall be calculated as follows.

5 (1) The contribution limitations in Government Code Sections 85301, 85302 and 85303
6 shall be adjusted biennially by the Commission to reflect changes in the California Consumer
7 Price Index (CPI). The adjustments shall be made using the following formula: the contribution
8 limit amount in effect January 1, 2001, multiplied by the annual CPI, divided by the base CPI
9 from 2000, rounded to the nearest one hundred dollars (\$100).ⁱ The resulting figure shall be the
10 adjusted contribution limitation in effect for all state elections held until the next odd numbered
11 year.

12 (2) The voluntary expenditure ceilings in Government Code Section 85400 shall be
13 adjusted biennially by the Commission to reflect changes in the California Consumer Price
14 Index. The adjustment shall be made using the following formula: the voluntary expenditure
15 ceiling amount in effect January 1, 2001, multiplied by the annual CPI, divided by the base CPI
16 from 2000, rounded to the nearest one thousand dollars (\$1,000).ⁱⁱ The resulting figure shall be
17 the adjusted voluntary expenditure limitation in effect for all state elections held until the next
18 odd numbered year.

19 (b) For purposes of Government Code Section 85316(b), beginning the year 2006 the cost
20 of living adjustment shall be calculated as follows.

21 (1) The contribution limitation shall be adjusted biennially by the Commission to reflect
22 changes in the California Consumer Price Index (CPI). The adjustment shall be made using the
23 following formula: the contribution limit amount in effect January 1, 2007, multiplied by the

1 annual CPI, divided by the base CPI from 2006, rounded to the nearest one hundred dollars
2 (\$100). The resulting figure shall be the adjusted contribution limitation in effect for all state
3 officeholders until the next odd numbered year.

4 (c) The adjustments shall be based upon the Department of Finance Consumer Price
5 Index Forecast, May Revise, annual ~~September~~ forecast of U.S. Bureau of Labor Statistics
6 California Consumer Price Index for All Urban Consumers, for the calendar year immediately
7 preceding the year in which the adjustment is to take effect.

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9 ⁱ For example, the annual average California CPI for All Urban Consumers for 2000 is
10 174.8. In 2002, the California CPI increased to 187.4. Therefore an adjusted contribution limit
11 beginning in 2003 that was \$3,000 would be calculated as follows:

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$$\frac{\$3,000 \times 187.4}{174.8} = \$3,216 \text{ (\$3,200 rounded to the nearest \$100)}$$

14 ⁱⁱ For example, the annual average California CPI for All Urban Consumers for 2000 is
15 174.8. In 2002, the California CPI increased to 187.4. Therefore an adjusted expenditure ceiling
16 beginning in 2003 that was \$400,000 would be calculated as follows:

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$$\frac{\$400,000 \times 187.4}{174.8} = \$428,833 \text{ (\$429,000 rounded to the nearest \$1,000)}$$

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20 Note: Authority cited: Section 83112, Government Code. Reference: Sections 83124, 85301,
21 85302, 85303, 85316 and 85400, Government Code.