

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations)

§ 18431. Reporting of Expenditures by an Agent or Independent Contractor.

(a) The following expenditures, and all similar expenditures, when made by an agent or independent contractor, including any vendor or subvendor, on behalf of or for the benefit of a candidate or committee, must be reported under Section 84303. Expenditures not of the types included below do not have to be reported. Expenditures that must be reported include all of the following:

(1) Expenditures to any person, other than an employee of the agent or independent contractor, for expert advice, expert analysis, or campaign management services, including but not limited to analysis, advice, or management services in connection with any of the following:

- (A) Development of campaign strategy.
- (B) Campaign management.
- (C) Design or management of campaign literature or advertising.
- (D) Campaign fund raising.

(2) Expenditures to any person, other than an employee of the agent or independent contractor, who furnishes the candidate or committee with products or services that show how the campaign is conducted, including but not limited to expenditures for any of the following:

- (A) Printed campaign literature.
- (B) Advertising time or space.
- (C) Campaign buttons and other campaign paraphernalia.

(D) Surveys, polls, signature gathering and door-to-door solicitation of voters, except as provided in subdivision (e).

(E) Facilities, invitations, or entertainment for fundraising events.

(F) Postage for campaign mailings.

(3) Any of the following types of expenditures:

(A) To the candidate.

(B) To any person for the personal use of the candidate, or the candidate's family.

(C) That are gifts to any person.

(D) To or on behalf of any other candidate or committee.

(E) To printers of mass mailings.

(F) To any person who transfers funds to any other person for expenditures reportable under this regulation.

(G) For any commission, finder's fee or rebate provided to any person in connection with any expenditure reportable under this regulation if the commission, finder's fee or rebate is inconsistent, in either manner or amount, with customary industry practice.

(b) Expenditures made directly from a candidate's or committee's account, charged to the candidate's or committee's credit, credit card, debit card or charge card, including by prepaid debit, prepaid credit, or prepaid gift card, are not considered expenditures by an agent or independent contractor reportable under Section 84303. These expenditures shall be reported under Section 84211, and candidate or committee payments to a credit card, debit card or charge card company, including prepaid debit, prepaid credit, or prepaid gift card company, shall be reported and itemized as specified in Regulation 18421.9.

(c) An expenditure required to be reported by Section 84303 must be reported by the candidate or committee at the same time and in the same manner and detail as required under Section 84211 for the candidate's or committee's direct expenditures.

(d) An agent or independent contractor who makes an expenditure on behalf of or for the benefit of a candidate or committee that is required to be reported under Section 84303 shall make known to the candidate or committee all the information required for reporting the expenditure under Section 84211. A subagent or subvendor may make the report required by this subdivision to the subagent's or subvendor's principal, who shall then report the expenditure to the committee or candidate. An agent or independent contractor shall report all expenditures required to be reported under Section 84303 no later than three working days prior to the time the campaign statement reporting the expenditure is required to be filed, except that an expenditure that must be reported under Sections 84203 or 84204 shall be reported to the candidate or committee within 24 hours of the time it is made.

(e) When reporting an expenditure made by an agent or independent contractor to an individual for conducting signature gathering, door-to-door solicitations, or canvassing, a committee is not required to report the name of the individual under Section 84303 and subdivision (a)(2)(D), and the agent or independent contractor is not required to report the name of the individual under subdivision (d).

Note: Authority cited: Section 83112, Government Code. Reference: Sections 84211 and 84303, Government Code.

HISTORY

1. New section filed 8-10-84; effective thirtieth day thereafter (Register 84, No. 32).
2. Amendment of subsection (a)(2)(G), repealer of subsection (d) and relettering of subsection (e) to subsection (d) filed 1-4-85; effective thirtieth day thereafter (Register 85, No. 1).
3. Amendment of subsection (c) filed 6-17-85, effective thirtieth day thereafter (Register 85, No. 25).

4. Amendment of subsection (d) filed 3-3-86; effective thirtieth day thereafter (Register 86, No. 10).
5. Amendment of section and Note filed 2-11-2010; operative 3-13-2010. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2010, No. 7).
6. Amendment of subsection (a)(2)(D) and new subsection (e) filed 9-14-2020; operative 10-14-2020 pursuant to Cal. Code Regs., tit. 2, section 18312(e). Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2020, No. 38).
7. Amendment of subsections (a)(3)(B) and (d) filed 5-12-2021; operative 6-11-2021 pursuant to Cal. Code Regs., tit. 2, section 18312(e). Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2021, No. 20).