

1 Amend 2 Cal. Code Regs., Section 18421.3 to read:

2 **§ 18421.3. Reporting of Contributions and Expenditures Collected by Contract Vendors or**
3 **Collecting Agents.**

4 (a) A candidate or committee may contract with a vendor or collecting agent to establish
5 one or more accounts to collect contributions prior to transferring the funds to a campaign bank
6 account. These contributions are deemed to be received by the candidate or committee upon
7 receipt by the vendor pursuant to rules set forth in 2 Cal. Code Regs. section 18421.1 and must
8 be transferred to the candidate's or committee's campaign bank account "promptly" as defined in
9 Government Code section 84306. The entire amount authorized by the contributor is the amount
10 of the contribution. Any amounts deducted or charged by the vendor or collecting agent are
11 deemed to be expenditures from the campaign bank account at the time the fees are deducted or
12 charged.

13 (b) A candidate or committee may only contract with a vendor or collecting agent that
14 does all of the following:

15 (1) Automatically rejects any contribution of \$100 or more from a single source made
16 with a prepaid debit, prepaid credit, or gift card.

17 (2) Utilizes an "Address Verification Service" to compare the zip code or street address
18 provided by the contributor using the debit or credit card with the address on file with the card
19 issuer.

20 (3) Provides the full name, street address, occupation, and employer information received
21 from each contributor required under Section 84211(f) to the candidate or committee, along with
22 the corresponding contributions.

1 (4) Utilizes a process for identifying foreign Internet Protocol addresses (“IP addresses”)

2 and, if one is identified, verifying the contributor is not a prohibited source under Section 85320

3 before accepting and transferring the contributions.

4 (b) (c) Nothing in this regulation should be construed to require the establishment of a

5 bank account unless otherwise required by other provisions of this title. The provisions in

6 subdivision (a) apply to candidates and their controlled committees, notwithstanding

7 Government Code section 85201 and 2 Cal. Code of Regs. section 18524.

8 Note: Authority cited: Section 83112, Government Code. Reference: Sections 84211, 84306 and

9 85201, Government Code.