

1 Amend 2 Cal. Code Regs., Section 18431 to read:

2 **18431. Reporting of Expenditures by an Agent or Independent Contractor.**

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

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

11 (A) Development of campaign strategy.

12 (B) Campaign management.

13 (C) Design or management of campaign literature or advertising.

14 (D) Campaign fund raising.

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

18 (A) Printed campaign literature.

19 (B) Advertising time or space.

20 (C) Campaign buttons and other campaign paraphernalia.

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

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

- 1 (F) Postage for campaign mailings.
- 2 (3) Any of the following types of expenditures:
- 3 (A) To the candidate.
- 4 (B) To any person for the personal use of the candidate, or ~~his or her~~ the candidate's  
5 family.
- 6 (C) That are gifts to any person.
- 7 (D) To or on behalf of any other candidate or committee.
- 8 (E) To printers of mass mailings.
- 9 (F) To any person who transfers funds to any other person for expenditures reportable  
10 under this regulation.
- 11 (G) For any commission, finder's fee or rebate provided to any person in connection with  
12 any expenditure reportable under this regulation if the commission, finder's fee or rebate is  
13 inconsistent, in either manner or amount, with customary industry practice.
- 14 (b) Expenditures made directly from a candidate's or committee's account, charged to the  
15 candidate's or committee's credit, credit card, debit card or charge card, are not considered  
16 expenditures by an agent or independent contractor reportable under Section 84303. These  
17 expenditures shall be reported under Section 84211, and candidate or committee payments to a  
18 credit card, debit card or charge card company shall be reported and itemized as specified in  
19 Regulation 18421.9.
- 20 (c) An expenditure required to be reported by Section 84303 must be reported by the  
21 candidate or committee at the same time and in the same manner and detail as required under  
22 Section 84211 for the candidate's or committee's direct expenditures.

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

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

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