Amend 2 Cal. Code Regs. Section 18438.5 as follows:

§ 18438.5. Aggregated Contributions Under Government Code Section 84308.

For purposes of Section 84308:

(a) To determine whether a contribution of more than $250 has been made by any party to a proceeding, contributions made by a party’s parent, subsidiary, or otherwise related business entity, (as those relationships are defined in subdivision (b) below), shall be aggregated and treated as if received from the party for purposes of the limitations and disclosure provisions of Section 84308.

(a) To determine whether a contribution of more than $250 has been made by a party or participant during a 12-month period, the following shall be aggregated:

(1) All contributions made by the party or participant;

(2) All contributions made by an agent of the party or participant, as that term is defined in Regulation 18438.3, during the shorter of:

(A) The previous 12-month period; or

(B) The period beginning on the date the party or principal first employed the agent as either a paid employee, contractor, or consultant.

(3) All contributions made by a party or participant’s parent or subsidiary entity, otherwise-related business entity, or an individual who directs and controls the entity or the entity’s contributions, or their agents, other than an uncompensated officer or other volunteer of a nonprofit organization.

(b) Parent, Subsidiary, Otherwise Related Business entity, defined.

(1) Parent-subsidiary. A parent-subsidiary relationship exists when one corporation has 50 percent of the voting power of another corporation.

(2) Otherwise-related business entity. Business entities, including corporations,
partnerships, joint ventures and any other organizations and enterprises operated for profit, which
do not have a parent subsidiary relationship are otherwise-related if any one of the following
three tests is met:

(A) One business entity has a controlling ownership interest in the other business entity.
(B) There is shared management and control between the entities. In determining whether
there is shared management and control, consideration should be given to the following factors:
(i) The same person or substantially the same person owns and manages the two entities;
(ii) There are common or commingled funds or assets;
(iii) The business entities share the use of the same offices or employees, or otherwise
share activities, resources or personnel on a regular basis;
(iv) There is otherwise a regular and close working relationship between the entities; or
(C) A controlling owner (50% or greater interest as a shareholder or as a general partner)
in one entity also is a controlling owner in the other entity.

Note: Authority cited: Section 83112, Government Code. Reference: Section 84308, Government
Code.