Amend 2 Cal. Code Regs. Section 18531 to read:

§ 18531. Return or Attribution of Excessive Contributions.

(a) A committee may return a contribution, or a portion thereof, that exceeds an applicable contribution limit to the contributor within 14 days of receiving the contribution without violating the contribution limits set forth in Sections 85301, 85302, and 85303, so long as the committee does not:

(1) Deposit or allow deposit of the contribution with actual knowledge that the contribution exceeds the applicable limit.

(2) Make use of the contribution prior to returning it.

(b) For purposes of subdivision (a), a committee makes use of a monetary contribution if, after receiving the contribution, it makes expenditures exceeding what the committee’s available cash balance would be had it not received the contribution that exceeds the applicable contribution limit.

(a) Attribution. A committee that elects to attribute a contribution, or a portion thereof, that exceeds the applicable contribution limit set forth in Section 85301, 85302, 85303, or 85316 to another election pursuant to Section 85319.5(a) or (b) must obtain written confirmation from the contributor that the contribution may be attributed to a different election except the committee may attribute a contribution, or a portion thereof, between a primary and general election for the same term of office without obtaining prior permission from the contributor.

(b) Non-monetary contributions. A committee that receives a non-monetary contribution whose fair market value, or a portion thereof, exceeds a contribution limit set forth in Section 85301, 85302, 85303, or 85316, may return the non-monetary contribution, or a portion thereof, either in its original form or in a monetary equivalent, or attribute the portion of the non-
monetary contribution whose fair market value exceeds the limit to another election by
transferring the monetary equivalent of the contribution to another committee established for
another election. The return or attribution of a non-monetary contribution pursuant to Section
85319.5 must occur within 14 days of receiving a contribution and the committee may not make
use of the non-monetary contribution prior to its return or attribution.

(c) A non-monetary contribution may be returned to the contributor within the deadline
prescribed in subdivision (a) 14 days of receiving the contribution either in its original form or
by a monetary equivalent, or a portion thereof, that exceeds an applicable contribution limit.

(d) (c) Making Over-the-Limit Contributions. This regulation shall not be construed to
authorize the making or solicitation of any contribution in excess of the contribution limits of
Sections 85301, 85302, and 85303, and 85316.

(e) (d) Contributions not for Candidates. Notwithstanding subdivisions (a) through (c),
contributions to a committee, other than a candidate controlled committee, which
are earmarked for purposes other than making contributions directly to candidates for elective
office, shall not be deemed in excess of limits and need not be returned, provided the
contributions are deposited to a separate account within the deadline prescribed in subdivision
(a): the applicable time period as prescribed by either Section 85319.5(a) or (b), depending on
whether the committee has actual knowledge that the contribution exceeds the applicable limit.

(f) (e) Reporting. A contribution returned or attributed, in whole or in part, under this
regulation Section 89519.5, must be reported as a contribution in its entirety pursuant to Chapters
4 and 5 of the Act if the contribution is deposited in the committee’s bank account. The
committee deposits the contribution in its bank account. The amount returned must also be
reported.
(1) A committee that elects to automatically attribute a contribution, or a portion thereof, that is in excess of the applicable limit between the primary and general elections as prescribed by Section 85319.5(d)(2) must disclose the cumulative totals of contributions received for both the primary and the general elections, respectively, in accordance with Regulation 18421.4.

(2) An amount transferred to another committee must be reported by the transferring committee as an expenditure.

(3) An amount attributed to another committee must be reported by the committee that receives the transfer as a contribution from the original contributor and identify the transferring committee as an intermediary pursuant to Section 84302.

(f) Notification. For purposes of Section 85319.5(c), a committee shall be deemed to have “informed” a contributor that their contribution was in excess of the applicable contribution limit if the committee sends written notification to the contributor noting that their contribution exceeded the applicable limit by the applicable deadline for returning or attributing the contribution or excess portion thereof. A committee required to send notification to a contributor that their contribution, or a portion thereof, was automatically attributed under Section 85319.5(d)(2) and that they may request a refund as required by Section 85319(c) must send such notification in writing and at the same time as informing the contributor that their contribution exceeded the applicable limit.