

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

2 **§ 18531. Return of Excessive Contributions.**

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

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

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

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

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

20 (b) Non-monetary contributions. A committee that receives a non-monetary contribution  
21 whose fair market value, or a portion thereof, exceeds a contribution limit set forth in Section  
22 85301, 85302, 85303, or 85316, may return the non-monetary contribution, or a portion thereof,  
23 either in its original form or in a monetary equivalent, or attribute the portion of the non-

1 monetary contribution whose fair market value exceeds the limit to a different election by  
2 transferring the monetary equivalent of the contribution to another committee established for a  
3 subsequent election. The return or attribution of a non-monetary contribution pursuant to Section  
4 85319.5 must occur within 14 days of receiving a contribution and the committee may not make  
5 use of the non-monetary contribution prior to its return or attribution.

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

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

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

19 ~~(f) (e) Reporting.~~ A contribution returned or attributed, in whole or in part, under ~~this~~  
20 ~~regulation~~ Section 89519.5, must be reported as a contribution in its entirety pursuant to Chapters  
21 4 and 5 of the Act if ~~the contribution is deposited in the committee's bank account.~~ the  
22 committee deposits the contribution in its bank account. ~~The amount returned must also be~~  
23 ~~reported.~~ The amount returned to the contributor or attributed to another election must be

1 reported as an expenditure. An amount attributed to another committee must be reported by that  
2 committee as a contribution from the original contributor and identify the transferring committee  
3 as an intermediary pursuant to 84302.

4 (f) Knowledge. For purposes of Section 85319.5, a committee that receives an over the  
5 limit monetary contribution has “actual knowledge” under any of the following circumstances:

6 (1) The committee accepts a check that on its face exceeds the applicable contribution  
7 limit.

8 (2) The committee receives an electronic payment which, on its own or when aggregated  
9 with other payments from the same source during that period, exceeds the applicable  
10 contribution limit and was made in response to a solicitation from the committee.

11 (g) Notification. For purposes of Section 85319.5(c), a committee shall be deemed to  
12 have “informed” a contributor that their contribution was in excess of the applicable contribution  
13 limit if the committee sends written notification to the contributor noting that their contribution  
14 exceeded the applicable limit by the applicable deadline for returning or attributing the  
15 contribution or excess portion thereof. A committee required to send notification to a contributor  
16 that their contribution, or a portion thereof, was automatically attributed under Section  
17 85319.5(d)(2) and that they may request a refund as required by Section 85319(c) must send  
18 such notification in writing and at the same time as informing the contributor that their  
19 contribution exceeded the applicable limit.

20 Note: Authority cited: Section 83112, Government Code. Reference: Sections 84302, 85301,  
21 85302 ~~and~~ 85303, and 85319.5, Government Code.