

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations.)

§ 18534. Required Committee Bank Accounts.

(a) This regulation is applicable to any committee pursuant to subdivision (a) of Section 82013 that receives contributions subject to the limits of subdivision (a) or (b) of Section 85303.

(b) A committee described in subdivision (a) of this regulation must make all contributions to candidates for elective state office, and to other committees for the purpose of making contributions to candidates for elective state office, from a bank account maintained and designated as an “all purpose” committee account. Checks drawn on this account must include the words “all purpose” in the title of the account appearing on the checks. (For example, “XYZ's all purpose account.”)

(c) Contributions received by a committee described in subdivision (a) of this regulation, that exceed the aggregate limits prescribed in subdivisions (a) or (b) of Section 85303, must be returned pursuant to Regulation 18531, or deposited into a committee bank account designated as a “restricted use” account, or may be split between a committee's “all purpose” and “restricted use” accounts at the time of deposit, with the amount deposited into the “all purpose” account not to exceed the contributor's limit under subdivisions (a) or (b) of Section 85303. Within fourteen (14) calendar days following receipt, a committee may transfer any portion of the original contribution from the committee's “restricted use” account to the “all purpose” account, provided that the total amount deposited into the “all purpose” account does not exceed the contributor's limit under subdivisions (a) or (b) of Section 85303. For each contribution transferred under this subdivision, the committee shall maintain records sufficient to establish that the transfer was effected within fourteen (14) calendar days of receipt. Checks drawn on any

“restricted use account” must include the words “restricted use” in the title of the account appearing on the checks. (For example, “XYZ's restricted use account.”)

(d) Except by means of the transfer described in subdivision (c) above, funds from a “restricted use” account may not be used to make contributions to candidates for elective state office, or to make contributions to other committees for the purpose of making contributions to candidates for elective state office.

(e) A committee described in subdivision (a) of this regulation may transfer funds from its “all purpose” account to any other account. Any such transfers, however, need not be considered in determining whether any person contributing to the committee has or has not exceeded annual contribution limits for that person under subdivisions (a) or (b) of Section 85303. Except as set forth in subdivision (c) above, a committee may not transfer funds to an “all purpose” account from any “restricted use” or other committee account.

(f) A committee making a contribution to any other committee must notify the recipient whether the contribution is from the committee's “all purpose” or “restricted use” account, or from some other account. A check with the proper designation of the account on its face shall be presumed to be adequate notification of the nature of the funds to the recipient committee.

(g) A committee may transfer funds from an “all purpose” or “restricted use” account to certificates of deposit, interest-bearing saving accounts, money market accounts, or similar accounts, subject to the following requirements:

(1) Funds from “all purpose” and “restricted use” accounts may not be commingled in an account;

(2) Consistent with the classification of the account the funds are transferred from, the interest-bearing account must be maintained and designated as “all purpose” or “restricted use” in the committee's records and, where possible, the title of the account; and

(3) The committee must redeposit the funds, including any accrued interest, into the originating committee bank account prior to expenditure.

(4) For purposes of subdivision (g), “the title of the account” means:

(A) the formal name assigned to the account within the financial institution where the account is held; or

(B) Where the financial institution's naming conventions do not allow an account's formal name to include the phrase “all purpose” or “restricted use,” the informal “nickname” assigned to the account within the financial institution where the account is held.

CREDITS

Note: Authority cited: Section 83112, Government Code. Reference: Section 85303, Government Code.

HISTORY

1. New section filed 1-9-2007; operative 2-8-2007. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third District Court of Appeal, unpublished decision, 1992. (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2007, No. 2).

2. Amendment of subsections (a), (c) and (e) and new subsections (g)-(g)(4)(B) filed 11-5-2024; operative 12-5-2024 pursuant to Cal. Code Regs., tit. 2, section 18312(e). Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil

C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2024, No. 45).