

1 Amend 2 Cal. Code Regs., Section 18534 to read:

2 **§ 18534. Required Committee Bank Accounts.**

3 (a) This regulation is applicable to any committee pursuant to subdivision (a) of
4 ~~Government Code section~~ Section 82013 that receives contributions subject to the limits of
5 subdivision (a) or (b) of ~~Government Code section~~ Section 85303.

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

12 (c) Contributions received by a committee described in subdivision (a) of this regulation,
13 that exceed the aggregate limits prescribed in subdivisions (a) or (b) of ~~Government Code section~~
14 Section 85303, must be returned pursuant to ~~2 Cal. Code Regs. section~~ Regulation 18531, or
15 deposited into a committee bank account designated as a "restricted use" account, or may be split
16 between a committee's "all purpose" and "restricted use" accounts at the time of deposit, with the
17 amount deposited into the "all purpose" account not to exceed the contributor's limit under
18 subdivisions (a) or (b) of ~~Government Code section~~ Section 85303. Within fourteen (14)
19 calendar days following receipt, a committee may transfer any portion of the original
20 contribution from the committee's "restricted use" account to the "all purpose" account, provided
21 that the total amount deposited into the "all purpose" account does not exceed the contributor's
22 limit under subdivisions (a) or (b) of ~~Government Code section~~ Section 85303. For each
23 contribution transferred under this subdivision, the committee shall maintain records sufficient to

1 establish that the transfer was effected within fourteen (14) calendar days of receipt. Checks
2 drawn on any "restricted use account" must include the words "restricted use" in the title of the
3 account appearing on the checks. (For example, "XYZ's restricted use account.")

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

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

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

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

21 (1) Funds from "all purpose" and "restricted use" accounts may not be commingled in an
22 account;

23 (2) Consistent with the classification of the account the funds are transferred from, the

1 interest-bearing account must be maintained and designated as “all purpose” or “restricted use”
2 in the committee’s records and, where possible, the title of the account; and

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

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

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

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

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