

1 Amend 2 Cal. Code Regs., Section 18531.62 to read:

2 **§ 18531.62. Elected State Officeholder Bank Accounts.**

3 (a) Application and Definitions. For purposes of Section 85316(b) and this regulation, the
4 following definitions apply:

5 (1) “Officeholder” means an elected state officer.

6 (2) “Officeholder controlled committee” means a committee formed pursuant to
7 subdivision (c) of this regulation.

8 (3) “Officeholder account” means the bank account established at a financial institution
9 located in the State of California pursuant to Section 85316(b).

10 (4) “Officeholder funds” means money in the officeholder account.

11 (b) Establishing the Officeholder Account: For purposes of Section 85316(b), an
12 officeholder shall maintain officeholder funds in a single bank account separate from any other
13 bank account held by the officeholder.

14 (c) Establishing the Officeholder Controlled Committee, Reporting and Recordkeeping:

15 (1) Formation: The officeholder shall establish a controlled committee by filing a
16 statement of organization pursuant to Section 84101 if the officeholder receives \$2,000 or more
17 in officeholder contributions in a calendar year.

18 (2) Committee Name: The controlled committee name shall include the officeholder's last
19 name, the office held, the year the officeholder was elected to the current term of office, and the
20 words “Officeholder Account.” The statement of organization shall include the name, account
21 number, and address of the financial institution where the committee established the officeholder
22 account.

1 (3) Filing Requirements: The controlled committee shall file campaign statements and
2 reports pursuant to Chapters 4 and 5, except Sections 85200 and 85201, of Title 9 of the
3 Government Code at the same times and in the same places as it otherwise would be required to
4 do for any other controlled committee formed by the officeholder for election to state office.

5 (4) Required Recordkeeping and Audits. The officeholder and treasurer shall be subject
6 to recordkeeping requirements under Section 84104. The officeholder account and officeholder
7 controlled committee shall be subject to audits under Chapter 10 of Title 9 of the Government
8 Code. Any audit of the officeholder, or any of ~~his or her~~ the officeholder's controlled
9 committees, under Section 90001 shall include all officeholder accounts and officeholder
10 controlled committees maintained by the officeholder during the audit period as described in
11 Section 90002(a)(1).

12 (d) Prohibitions:

13 (1) Officeholder funds may not be contributed or transferred to another state or local
14 committee, including any other controlled committee of the officeholder, except as permitted in
15 subdivisions (g) (2) and (g)(3).

16 (2) Officeholders may not use officeholder funds to pay “campaign expenses” as defined
17 in Regulation 18525(a).

18 (3) The officeholder may not transfer or contribute funds from any other committee ~~he or~~
19 ~~she~~ the officeholder controls to the officeholder account, except as permitted in subdivision
20 (g)(2) and (g)(3).

21 (e) Contributions to the Officeholder Account:

22 (1)(A) Required Notices: In addition to the requirements of Regulation 18523.1, a written
23 solicitation for contributions to the officeholder account shall include the following: “For

1 purposes of the Political Reform Act's contribution limits, a contribution to an officeholder
2 account is also considered to be a contribution to all campaign committees for future elective
3 state office the officeholder seeks during ~~his or her~~ the officeholder's current term of office.”

4 (B) In addition to the requirements of subparagraph (A) above, an officeholder who files
5 a statement of intention to be a candidate for any elective state office during the officeholder's
6 term of office shall provide notice of this filing to every person that has made a contribution to
7 ~~his or her~~ the officeholder account. The notice shall contain the language in subparagraph (A)
8 and be transmitted or mailed within 10 days of filing the statement of intention to be a candidate.

9 (2) Cumulation: A contribution to the officeholder account shall also be deemed a
10 contribution to the officeholder's controlled committee for election to elective state office for the
11 purposes of Section 85316(b)(3) only under all of the following circumstances:

12 (A) The contributor makes the contribution between the day the election was held for the
13 term of office for which the officeholder account was established and the end of that term of
14 office;

15 (B) The officeholder maintains the controlled committee, established for a future term of
16 elective state office, at any time during the period covered in subparagraph (A).

17 (3) Cumulation and Primary and General Elections: A person's contributions to the
18 officeholder account, when combined with contributions from the same person for a primary and
19 general election to the elective state office may not exceed the contribution limits applicable to
20 the primary and general election.

21 (4) Multiple Officeholder Accounts: When an officeholder maintains more than one
22 officeholder account in the same calendar year, ~~he or she~~ the officeholder may not receive the
23 following contributions to any of those accounts during that calendar year:

1 (A) Contributions from a single contributor that, when cumulated for all the accounts,
2 exceed the maximum amount the contributor could give to the officeholder account having the
3 highest per person contribution limit under Section 85316(b)(1).

4 (B) Contributions from all contributors that, when cumulated for all the accounts, exceed
5 the maximum amount in total contributions the officeholder could receive in the officeholder
6 account having the highest aggregate contribution limit under Section 85316(b)(2).

7 (f) Contributions Over the Limits:

8 (1) An officeholder shall return to the contributor the portion of any contribution to ~~his or~~
9 ~~her~~ the officeholder account that exceeds the limits of Section 85301, 85302 (after cumulation)
10 or 85316 (either alone or after cumulation) by the earlier of 14 days of receipt or 14 days of the
11 date the officeholder files a statement of intention to be a candidate for elective state office
12 pursuant to Section 85200.

13 (2) A contributor to the officeholder account does not violate the contribution limits
14 applying to the officeholder's election to a future elective state office as otherwise provided
15 under Section 85316(b)(3) if, when ~~he or she~~ the contributor makes the contribution, the
16 officeholder has not filed a statement of organization to establish a controlled committee for
17 election to a future elective state office.

18 (g) Terminating Officeholder Accounts and Committees.

19 (1) The officeholder may not accept contributions after the officeholder's term of office
20 ends or the date ~~he or she~~ the officeholder leaves that office, whichever is earlier.

21 (2) The officeholder may redesignate the officeholder account as an officeholder
22 controlled committee for a future term of the same office by amending the statement of

1 organization for the committee to reflect the redesignation for the future term of office prior to
2 the date the officer's term of office ends.

3 (3) An officeholder may redesignate officeholder funds in the redesignated officeholder
4 account as officeholder funds for the new term of office, subject to the limitations in subdivision
5 (e)(4).

6 (4) Once the officeholder's term of office ends or ~~he or she~~ the officeholder leaves that
7 office, whichever is earlier, the officeholder may only use ~~his or her~~ officeholder funds for the
8 following purposes:

9 (A) Paying outstanding officeholder expenses.

10 (B) Repaying contributions to contributors to the officeholder account.

11 (C) Making a donation to a bona fide charitable, educational, civic, religious, or similar
12 tax-exempt, nonprofit organization, if no substantial part of the proceeds will have a material
13 financial effect on the officeholder, a member of ~~his or her~~ the officeholder's immediate family,
14 or ~~his or her~~ the officeholder's committee treasurer.

15 (D) Paying for professional services reasonably required by the officeholder controlled
16 committee to assist in the performance of its administrative functions.

17 (5) The officeholder shall terminate the officeholder controlled committee within 90 days
18 of the date the officer's term of office ends or ~~he or she~~ the officeholder leaves that office,
19 whichever is earlier. The Executive Director may for good cause extend the termination date or
20 permit the candidate to reopen the account.

21 Note: Authority cited: Section 83112, Government Code. Reference: Sections 84104, 85316 and
22 90000-90007, Government Code.