

Amend 2 Cal. Code Regs., Section 18421.3 to read:

**§ 18421.3. Reporting of Contributions and Expenditures Collected by Contract Vendors or Collecting Agents.**

(a) A candidate or committee may contract with a vendor or collecting agent to establish one or more accounts to collect contributions prior to transferring the funds to a campaign bank account. These contributions are deemed to be received by the candidate or committee upon receipt by the vendor pursuant to rules set forth in 2 Cal. Code Regs. section 18421.1 and must be transferred to the candidate's or committee's campaign bank account "promptly" as defined in Government Code section 84306. The entire amount authorized by the contributor is the amount of the contribution. Any amounts deducted or charged by the vendor or collecting agent are deemed to be expenditures from the campaign bank account at the time the fees are deducted or charged.

(b) A candidate or committee may only contract with a vendor or collecting agent that does all of the following:

(1) Automatically rejects any contribution of \$100 or more from a single source made with a prepaid debit, prepaid credit, or gift card.

(2) Utilizes an "Address Verification Service" to verify that the address provided by a person using the debit or credit card is the billing address for the debit or credit card account.

(3) Provides the address verification documentation required under subdivision (b)(2) to the candidate or committee along with the corresponding contributions.

~~(b)~~ (c) Nothing in this regulation should be construed to require the establishment of a bank account unless otherwise required by other provisions of this title. The provisions in subdivision (a) apply to candidates and their controlled committees, notwithstanding

- 1 Government Code section 85201 and 2 Cal. Code of Regs. section 18524.
- 2 Note: Authority cited: Section 83112, Government Code. Reference: Sections 84211, 84306 and
- 3 85201, Government Code.