



STATE OF CALIFORNIA  
FAIR POLITICAL PRACTICES COMMISSION  
1102 Q Street • Suite 3050 • Sacramento, CA 95811  
(916) 322-5660 •

## TITLE 2. FAIR POLITICAL PRACTICES COMMISSION

NOTICE IS HEREBY GIVEN that the Fair Political Practices Commission (the Commission), under the authority vested in it by the Political Reform Act (the Act)<sup>1</sup> by Section 83112 of the Government Code proposes to adopt, amend, or repeal regulations in Title 2, Division 6 of the California Code of Regulations. The Commission will consider the proposed regulations at a public hearing on or after **January 16, 2025**, at the offices of the Fair Political Practices Commission, 1102 Q Street, Suite 3050, Sacramento, California, commencing at approximately **10:00 a.m.** Written comments should be received at the Commission offices no later than **5:00 p.m.** on **January 14, 2025**.

### BACKGROUND/OVERVIEW:

(1) *Biennial Cost of Living Adjustment for Campaign Contribution Limits, Voluntary Expenditure Ceilings, and State Officeholder Contribution Limits: Adoption of Amendments to Regulation 18545.*

Regulation 18545 contains the current campaign contribution limits, voluntary expenditure ceiling amounts, and state officeholder contribution limits. Sections 83124, 85301(d)(1), 85316(b)(4), and 89503(f) of the Act, charge the Commission with making a biennial cost of living adjustment to limit amounts in order to reflect changes in the Consumer Price Index (“CPI”). The California Department of Finance (“DOF”) provides the forecast and actual annual California CPI for All Urban Consumers, which is based upon U.S. Bureau of Labor Statistics. (Section 82001, Regulation 18544(c).)

This amendment makes the cost of living adjustments for the period of January 1, 2025 through December 31, 2026. The adjustments are based on “the Department of Finance Consumer Price Index Forecast, May Revise, annual California Consumer Price Index for All Urban Consumers, for the calendar year immediately preceding the year in which the adjustment is to take effect.” (Regulation 18544(c).) The DOF CPI Forecast, May Revise, prepared in April 2024, lists the 2024 annual forecast California CPI as “342.8 .”<sup>2</sup>

(2) *Biennial Gift Limit Adjustments: Adoption of Amendments to Regulations 18700, 18730, and 18940.2.*

Section 89503 establishes a gift limit for public officials and Section 87100 et seq. prohibits officials from taking part in certain decisions with a financial effect on a source of any gift exceeding the gift limit. The gift limit must be adjusted biennially by the Commission to reflect

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<sup>1</sup> The Political Reform Act is contained in Government Code sections 81000 through 91014. All further statutory references are to the Government Code. The regulations of the Fair Political Practices Commission are contained in sections 18104 through 18998 of Title 2 of the California Code of Regulations (hereafter Regulation).

<sup>2</sup> A forecast annual CPI is used due to the fact that the actual CPI for a given year is not available until mid-January of the following year. See <https://dof.ca.gov/forecasting/economics/economic-forecasts-u-s-and-california/> CPI-U all items for 2024, for the relevant CPI figure.

changes to the California CPI. (Sections 87103(e) and 89503(f).) Regulation 18940.2 provides the adjusted gift limit, and Regulations 18700 and 18730 both reference the limit.

#### REGULATORY ACTION:

Amend 2 Cal. Code Regs. Section 18545: The proposed amendments to Regulation 18545 reflect the adjusted campaign contribution limits, voluntary expenditure ceilings, and state officeholder contribution limits for the period of January 1, 2025, through December 31, 2026.

Amend 2 Cal. Code Regs. Sections 18700, 18730, 18940.2. The proposed amendments reflect the adjustment of the gift limit from \$590 to \$630 for the period of January 1, 2025, through December 31, 2026.

SCOPE: The Commission may adopt the language noticed herein, or it may choose new language to implement its decisions concerning the issues identified above or related issues. The Commission may delete provisions, adopt the language noticed herein, or choose new language to implement its policy regarding implementation of the CPI adjustments.

#### FISCAL IMPACT STATEMENT:

Fiscal Impact on Local Government. This regulation will have no fiscal impact on any local entity or program.

Fiscal Impact on State Government. This regulation will have no fiscal impact on any state entity or program.

Fiscal Impact on Federal Funding of State Programs. This regulation will have no fiscal impact on the federal funding of any state program or entity.

AUTHORITY: Government Code Section 83112 provides that the Fair Political Practices Commission may adopt, amend, and rescind rules and regulations to carry out the purposes and provisions of the Political Reform Act.

REFERENCE: The purpose of this regulation is to implement, interpret, and make specific Government Code Sections 82028, 83124, 85301, 85302, 85303, 85316, 85400, 87100, 87103, 87300-87302, 89502, 89503 and 89506.

CONTACT: Any inquiries should be made to Amanda Apostol, Fair Political Practices Commission, 1102 Q Street, Suite 3050, Sacramento, CA 95811; telephone 279-237-3755. The proposed regulatory language can be accessed at <http://www.fppc.ca.gov/the-law/fppc-regulations/proposed-regulations-and-notices.html>.