

AMENDED IN SENATE AUGUST 1, 2016  
AMENDED IN SENATE JUNE 14, 2016  
AMENDED IN ASSEMBLY MAY 31, 2016  
AMENDED IN ASSEMBLY APRIL 19, 2016  
AMENDED IN ASSEMBLY APRIL 6, 2016  
AMENDED IN ASSEMBLY MARCH 17, 2016  
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2523**

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**Introduced by Assembly Member Mullin  
(Coauthor: Assembly Member Gonzalez)**

February 19, 2016

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An act to amend and repeal Sections 35177 and 72029 of the Education Code, to amend and repeal Sections 10003, 10202, and 10544 of the Elections Code, and *to amend Section 85301 of, to amend, repeal, and add Sections 85305, 85306, 85307, 85315, 85316, 85317, and 85318 of, and to add Sections 82039.8, 85301.5, and Section 85702.5 to* the Government Code, relating to elections.

LEGISLATIVE COUNSEL'S DIGEST

AB 2523, as amended, Mullin. Local elective offices: contribution limitations.

The Political Reform Act of 1974 prohibits a person, other than a small contributor committee or political party committee, from making to a candidate for elective state office, for statewide elective office, or for office of the Governor, and prohibits those candidates from accepting from a person, a contribution totaling more than a specified amount per

election. For a candidate for elective state office other than a candidate for statewide elective office, the limitation on contributions is \$3,000 per election, as that amount is adjusted by the Fair Political Practices Commission in January of every odd-numbered year.

Existing law authorizes a county, city, or district to limit campaign contributions in local elections. Existing law authorizes the governing board of a school district or of a community college district to limit campaign expenditures or contributions in elections to district offices. The act specifies that it does not prevent the Legislature or any other state or local agency from imposing additional requirements on a person if the requirements do not prevent the person from complying with the act, and that the act does not nullify contribution limitations or prohibitions by any local jurisdiction that apply to elections for local elective office, as specified.

This bill, commencing January 1, 2018, instead would prohibit a person from making to a candidate for local elective office, and would prohibit a candidate for local elective office from accepting from a person, a contribution totaling more than the amount set forth for limitations on contributions to a candidate for elective state office. This bill would authorize a county, city, special district, or school district to impose a limitation that is different from the limitation imposed by this bill. This bill would repeal the authorization for the governing board of a school district or of a community college district to limit campaign expenditures in elections to district offices. *This bill would make specified provisions of the act relating to contribution limitations applicable to a candidate for a local elective office, except as specified.*

The act makes a violation of its provisions punishable as a misdemeanor and subject to specified penalties.

This bill would add the contribution limitation imposed by the bill to the act's provisions, thereby making a violation of the limitation punishable as a misdemeanor and subject to specified penalties. However, the bill would specify that a violation of a limitation imposed by a local government is not subject to the act's enforcement provisions. The bill would authorize a local government that imposes a limitation that is different from the limitation imposed by this bill to adopt enforcement standards for a violation of the limitation imposed by the local government agency, including administrative, civil, or criminal penalties. By expanding the scope of an existing crime with regard to a violation of a contribution limitation imposed by the bill, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a  $\frac{2}{3}$  vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) Most states impose limitations on contributions to candidates  
4 for local elective offices. California is among the minority of states  
5 without these contribution limitations.

6 (b) Most local governments in this state have not independently  
7 imposed limitations on contributions to candidates for local elective  
8 offices.

9 (c) In local jurisdictions in this state that have not imposed  
10 limitations on contributions, candidates for local elective offices  
11 often receive contributions that would exceed the limitations for  
12 a state Senate campaign, even though most local jurisdictions  
13 contain far fewer people than the average state Senate district.

14 (d) In local jurisdictions in this state that have not imposed  
15 limitations on contributions, candidates for local elective office  
16 sometimes raise 40 percent or more of their total campaign funds  
17 from a single contributor.

18 (e) A system allowing unlimited contributions to a candidate  
19 for local elective office creates the risk and the perception that  
20 local elected officials are beholden to their contributors and will  
21 act in the best interest of those contributors at the expense of the  
22 people.

23 (f) This state has a statewide interest in preventing actual  
24 corruption and the appearance of corruption at all levels of state  
25 government.

1 (g) This act establishes a limitation on contributions to a  
2 candidate for local elective office in a jurisdiction in which the  
3 local government has not established a limitation. However, a local  
4 government may establish a different limitation that is more  
5 precisely tailored to the needs of its communities.

6 SEC. 2. Section 35177 of the Education Code is amended to  
7 read:

8 35177. (a) The governing board of a district may by resolution  
9 limit campaign expenditures or contributions in elections to district  
10 offices.

11 (b) This section shall remain in effect only until January 1, 2018,  
12 and as of that date is repealed, unless a later enacted statute, that  
13 is enacted before January 1, 2018, deletes or extends that date.

14 SEC. 3. Section 72029 of the Education Code is amended to  
15 read:

16 72029. (a) The governing board of a community college district  
17 may by resolution limit campaign expenditures or contributions  
18 in elections to district offices.

19 (b) This section shall remain in effect only until January 1, 2018,  
20 and as of that date is repealed, unless a later enacted statute, that  
21 is enacted before January 1, 2018, deletes or extends that date.

22 SEC. 4. Section 10003 of the Elections Code is amended to  
23 read:

24 10003. (a) A county may by ordinance or resolution limit  
25 campaign contributions in county elections.

26 (b) This section shall remain in effect only until January 1, 2018,  
27 and as of that date is repealed, unless a later enacted statute, that  
28 is enacted before January 1, 2018, deletes or extends that date.

29 SEC. 5. Section 10202 of the Elections Code is amended to  
30 read:

31 10202. (a) A city may, by ordinance or resolution, limit  
32 campaign contributions in municipal elections.

33 (b) This section shall remain in effect only until January 1, 2018,  
34 and as of that date is repealed, unless a later enacted statute, that  
35 is enacted before January 1, 2018, deletes or extends that date.

36 SEC. 6. Section 10544 of the Elections Code is amended to  
37 read:

38 10544. (a) A governing body of a district may, by resolution,  
39 limit campaign contributions in elections to district offices.

1 (b) This section shall remain in effect only until January 1, 2018,  
2 and as of that date is repealed, unless a later enacted statute, that  
3 is enacted before January 1, 2018, deletes or extends that date.

4 ~~SEC. 7. Section 82039.8 is added to the Government Code, to~~  
5 ~~read:~~

6 ~~82039.8. "Local elective office" means a local government~~  
7 ~~agency office that is filled at an election.~~

8 ~~SEC. 8. Section 85301.5 is added to the Government Code, to~~  
9 ~~read:~~

10 ~~85301.5. (a) A person shall not make to a candidate for local~~  
11 ~~elective office, and a candidate for local elective office shall not~~  
12 ~~accept from a person, a contribution totaling more than the amount~~  
13 ~~set forth in subdivision (a) of Section 85301, as that amount is~~  
14 ~~adjusted by the Fair Political Practices Commission pursuant to~~  
15 ~~Section 83124.~~

16 ~~(b) A contribution shall not be deemed received for purposes~~  
17 ~~of this section if it is returned to the contributor within 14 days of~~  
18 ~~receipt.~~

19 ~~(c) This section does not apply to a candidate's contributions~~  
20 ~~of his or her personal funds to his or her own campaign.~~

21 ~~(d) This section shall become operative on January 1, 2018.~~

22 ~~SEC. 7. Section 85301 of the Government Code is amended to~~  
23 ~~read:~~

24 ~~85301. (a) A person, other than a small contributor committee~~  
25 ~~or political party committee, may not make to any a candidate for~~  
26 ~~elective state office other than a candidate for statewide elective~~  
27 ~~office, and a candidate for elective state office other than a~~  
28 ~~candidate for statewide elective office may not accept from a~~  
29 ~~person, any a contribution totaling more than three thousand dollars~~  
30 ~~(\$3,000) per election.~~

31 ~~(b) Except to a candidate for Governor, a person, other than a~~  
32 ~~small contributor committee or political party committee, may not~~  
33 ~~make to any a candidate for statewide elective office, and except~~  
34 ~~a candidate for Governor, a candidate for statewide elective office~~  
35 ~~may not accept from a person other than a small contributor~~  
36 ~~committee or a political party committee, any a contribution~~  
37 ~~totaling more than five thousand dollars (\$5,000) per election.~~

38 ~~(c) A person, other than a small contributor committee or~~  
39 ~~political party committee, may not make to any a candidate for~~  
40 ~~Governor, and a candidate for governor may not accept from any~~

1 person other than a small contributor committee or political party  
2 committee, ~~any~~ a contribution totaling more than twenty thousand  
3 dollars (\$20,000) per election.

4 (d) (1) A person may not make to a candidate for local elective  
5 office, and a candidate for local elective office may not accept  
6 from a person, a contribution totaling more than the amount set  
7 forth in subdivision (a) per election. This subdivision shall not  
8 apply in a jurisdiction in which the local government imposes a  
9 limit on contributions pursuant to Section 85702.5.

10 (2) This subdivision shall not become operative until January  
11 1, 2018.

12 ~~(e)~~

13 (e) The provisions of this section do not apply to a candidate's  
14 contributions of his or her personal funds to his or her own  
15 campaign.

16 SEC. 8. Section 85305 of the Government Code is amended to  
17 read:

18 85305. (a) A candidate for elective state office or committee  
19 controlled by that candidate may not make ~~any~~ a contribution to  
20 any other candidate for elective state office in excess of the limits  
21 set forth in subdivision (a) of Section 85301.

22 (b) This section shall remain in effect only until January 1, 2018,  
23 and as of that date is repealed, unless a later enacted statute, that  
24 is enacted before January 1, 2018, deletes or extends that date.

25 SEC. 9. Section 85305 is added to the Government Code, to  
26 read:

27 85305. (a) A candidate for elective office or committee  
28 controlled by that candidate may not make a contribution to any  
29 other candidate for elective office in excess of the limits set forth  
30 in subdivision (a) of Section 85301. This section shall not apply  
31 in a jurisdiction in which the local government imposes a limit on  
32 contributions pursuant to Section 85702.5.

33 (b) This section shall become operative on January 1, 2018.

34 SEC. 10. Section 85306 of the Government Code is amended  
35 to read:

36 85306. (a) A candidate may transfer campaign funds from one  
37 controlled committee to a controlled committee for elective state  
38 office of the same candidate. Contributions transferred shall be  
39 attributed to specific contributors using a "last in, first out" or "first  
40 in, first out" accounting method, and these attributed contributions

1 when aggregated with all other contributions from the same  
2 contributor may not exceed the limits set forth in Section 85301  
3 or 85302.

4 (b) Notwithstanding subdivision (a), a candidate for elective  
5 state office, other than a candidate for statewide elective office,  
6 who possesses campaign funds on January 1, 2001, may use those  
7 funds to seek elective office without attributing the funds to specific  
8 contributors.

9 (c) Notwithstanding subdivision (a), a candidate for statewide  
10 elective office who possesses campaign funds on November 6,  
11 2002, may use those funds to seek elective office without  
12 attributing the funds to specific contributors.

13 (d) *This section shall remain in effect only until January 1, 2018,*  
14 *and as of that date is repealed, unless a later enacted statute, that*  
15 *is enacted before January 1, 2018, deletes or extends that date.*

16 SEC. 11. Section 85306 is added to the Government Code, to  
17 read:

18 85306. (a) A candidate may transfer campaign funds from one  
19 controlled committee to a controlled committee for elective office  
20 of the same candidate. Contributions transferred shall be attributed  
21 to specific contributors using a “last in, first out” or “first in, first  
22 out” accounting method, and these attributed contributions when  
23 aggregated with all other contributions from the same contributor  
24 may not exceed the limits set forth in Section 85301 or 85302.

25 (b) Notwithstanding subdivision (a), a candidate for elective  
26 state office, other than a candidate for statewide elective office,  
27 who possesses campaign funds on January 1, 2001, may use those  
28 funds to seek elective office without attributing the funds to specific  
29 contributors.

30 (c) Notwithstanding subdivision (a), a candidate for statewide  
31 elective office who possesses campaign funds on November 6,  
32 2002, may use those funds to seek elective office without attributing  
33 the funds to specific contributors.

34 (d) *This section shall not apply in a jurisdiction in which the*  
35 *local government imposes a limit on contributions pursuant to*  
36 *Section 85702.5.*

37 (e) *This section shall become operative on January 1, 2018.*

38 SEC. 12. Section 85307 of the Government Code is amended  
39 to read:

1 85307. (a) The provisions of this article regarding loans apply  
2 to extensions of credit, but do not apply to loans made to a  
3 candidate by a commercial lending institution in the lender’s  
4 regular course of business on terms available to members of the  
5 general public for which the candidate is personally liable.

6 (b) Notwithstanding subdivision (a), a candidate for elective  
7 state office may not personally loan to his or her campaign,  
8 including the proceeds of a loan obtained by the candidate from a  
9 commercial lending institution, an amount, the outstanding balance  
10 of which exceeds one hundred thousand dollars (\$100,000). A  
11 candidate may not charge interest on any loan he or she made to  
12 his or her campaign.

13 (c) *This section shall remain in effect only until January 1, 2018,*  
14 *and as of that date is repealed, unless a later enacted statute, that*  
15 *is enacted before January 1, 2018, deletes or extends that date.*

16 SEC. 13. *Section 85307 is added to the Government Code, to*  
17 *read:*

18 85307. (a) *The provisions of this article regarding loans apply*  
19 *to extensions of credit, but do not apply to loans made to a*  
20 *candidate by a commercial lending institution in the lender’s*  
21 *regular course of business on terms available to members of the*  
22 *general public for which the candidate is personally liable.*

23 (b) *Notwithstanding subdivision (a), a candidate for elective*  
24 *office may not personally loan to his or her campaign, including*  
25 *the proceeds of a loan obtained by the candidate from a*  
26 *commercial lending institution, an amount, the outstanding balance*  
27 *of which exceeds one hundred thousand dollars (\$100,000). A*  
28 *candidate may not charge interest on any loan he or she made to*  
29 *his or her campaign. This subdivision shall not apply to a*  
30 *jurisdiction in which the local government imposes a limit on*  
31 *contributions pursuant to Section 85702.5.*

32 (c) *This section shall become operative on January 1, 2018.*

33 SEC. 14. *Section 85315 of the Government Code is amended*  
34 *to read:*

35 85315. (a) Notwithstanding any other provision of this chapter,  
36 an elected state officer may establish a committee to oppose the  
37 qualification of a recall measure, and the recall election. This  
38 committee may be established when the elected state officer  
39 receives a notice of intent to recall pursuant to Section 11021 of  
40 the Elections Code. An elected state officer may accept campaign



1 contributions to oppose the qualification of a recall measure, and  
2 if qualification is successful, the recall election, without regard to  
3 the campaign contributions limits set forth in this chapter. The  
4 voluntary expenditure limits do not apply to expenditures made  
5 to oppose the qualification of a recall measure or to oppose the  
6 recall election.

7 (b) After the failure of a recall petition or after the recall  
8 election, the committee formed by the elected state officer shall  
9 wind down its activities and dissolve. Any remaining funds shall  
10 be treated as surplus funds and shall be expended within 30 days  
11 after the failure of the recall petition or after the recall election for  
12 a purpose specified in subdivision (b) of Section 89519.

13 (c) *This section shall remain in effect only until January 1, 2018,*  
14 *and as of that date is repealed, unless a later enacted statute, that*  
15 *is enacted before January 1, 2018, deletes or extends that date.*

16 SEC. 15. Section 85315 is added to the Government Code, to  
17 read:

18 85315. (a) *Notwithstanding any other provision of this chapter,*  
19 *an elected officer may establish a committee to oppose the*  
20 *qualification of a recall measure, and the recall election. This*  
21 *committee may be established when the elected officer receives a*  
22 *notice of intent to recall pursuant to Section 11021 of the Elections*  
23 *Code. An elected officer may accept campaign contributions to*  
24 *oppose the qualification of a recall measure, and if qualification*  
25 *is successful, the recall election, without regard to the campaign*  
26 *contributions limits set forth in this chapter. The voluntary*  
27 *expenditure limits do not apply to expenditures made to oppose*  
28 *the qualification of a recall measure or to oppose the recall*  
29 *election.*

30 (b) *After the failure of a recall petition or after the recall*  
31 *election, the committee formed by the elected officer shall wind*  
32 *down its activities and dissolve. Any remaining funds shall be*  
33 *treated as surplus funds and shall be expended within 30 days*  
34 *after the failure of the recall petition or after the recall election*  
35 *for a purpose specified in subdivision (b) of Section 89519.*

36 (c) *This section shall not apply in a jurisdiction in which the*  
37 *local government imposes a limit on contributions pursuant to*  
38 *Section 85702.5.*

39 (d) *This section shall become operative on January 1, 2018.*

1     *SEC. 16. Section 85316 of the Government Code is amended*  
 2     *to read:*

3     85316. (a) Except as provided in subdivision (b), a contribution  
 4     for an election may be accepted by a candidate for elective state  
 5     office after the date of the election only to the extent that the  
 6     contribution does not exceed net debts outstanding from the  
 7     election, and the contribution does not otherwise exceed the  
 8     applicable contribution limit for that election.

9     (b) Notwithstanding subdivision (a), an elected state officer  
 10    may accept contributions after the date of the election for the  
 11    purpose of paying expenses associated with holding the office  
 12    provided that the contributions are not expended for any  
 13    contribution to any state or local committee. Contributions received  
 14    pursuant to this subdivision shall be deposited into a bank account  
 15    established solely for the purposes specified in this subdivision.

16    (1) No person shall make, and no elected state officer shall  
 17    receive from a person, a contribution pursuant to this subdivision  
 18    totaling more than the following amounts per calendar year:

19    (A) Three thousand dollars (\$3,000) in the case of an elected  
 20    state officer of the Assembly or Senate.

21    (B) Five thousand dollars (\$5,000) in the case of a statewide  
 22    elected state officer other than the Governor.

23    (C) Twenty thousand dollars (\$20,000) in the case of the  
 24    Governor.

25    (2) No elected state officer shall receive contributions pursuant  
 26    to paragraph (1) that, in the aggregate, total more than the following  
 27    amounts per calendar year:

28    (A) Fifty thousand dollars (\$50,000) in the case of an elected  
 29    state officer of the Assembly or Senate.

30    (B) One hundred thousand dollars (\$100,000) in the case of a  
 31    statewide elected state officer other than the Governor.

32    (C) Two hundred thousand dollars (\$200,000) in the case of the  
 33    Governor.

34    (3) Any contribution received pursuant to this subdivision shall  
 35    be deemed to be a contribution to that candidate for election to  
 36    any state office that he or she may seek during the term of office  
 37    to which he or she is currently elected, including, but not limited  
 38    to, reelection to the office he or she currently holds, and shall be  
 39    subject to any applicable contribution limit provided in this title.  
 40    If a contribution received pursuant to this subdivision exceeds the

1 allowable contribution limit for the office sought, the candidate  
2 shall return the amount exceeding the limit to the contributor on  
3 a basis to be determined by the Commission. None of the  
4 expenditures made by elected state officers pursuant to this  
5 subdivision shall be subject to the voluntary expenditure limitations  
6 in Section 85400.

7 (4) The commission shall adjust the calendar year contribution  
8 limitations and aggregate contribution limitations set forth in this  
9 subdivision in January of every odd-numbered year to reflect any  
10 increase or decrease in the Consumer Price Index. Those  
11 adjustments shall be rounded to the nearest one hundred dollars  
12 (\$100).

13 (c) *This section shall remain in effect only until January 1, 2018,*  
14 *and as of that date is repealed, unless a later enacted statute, that*  
15 *is enacted before January 1, 2018, deletes or extends that date.*

16 SEC. 17. Section 85316 is added to the Government Code, to  
17 read:

18 85316. (a) *Except as provided in subdivision (b), a contribution*  
19 *for an election may be accepted by a candidate for elective office*  
20 *after the date of the election only to the extent that the contribution*  
21 *does not exceed net debts outstanding from the election, and the*  
22 *contribution does not otherwise exceed the applicable contribution*  
23 *limit for that election.*

24 (b) *Notwithstanding subdivision (a), an elected state officer may*  
25 *accept contributions after the date of the election for the purpose*  
26 *of paying expenses associated with holding the office provided*  
27 *that the contributions are not expended for any contribution to*  
28 *any state or local committee. Contributions received pursuant to*  
29 *this subdivision shall be deposited into a bank account established*  
30 *solely for the purposes specified in this subdivision.*

31 (1) *No person shall make, and no elected state officer shall*  
32 *receive from a person, a contribution pursuant to this subdivision*  
33 *totaling more than the following amounts per calendar year:*

34 (A) *Three thousand dollars (\$3,000) in the case of an elected*  
35 *state officer of the Assembly or Senate.*

36 (B) *Five thousand dollars (\$5,000) in the case of a statewide*  
37 *elected state officer other than the Governor.*

38 (C) *Twenty thousand dollars (\$20,000) in the case of the*  
39 *Governor.*

1 (2) No elected state officer shall receive contributions pursuant  
 2 to paragraph (1) that, in the aggregate, total more than the  
 3 following amounts per calendar year:

4 (A) Fifty thousand dollars (\$50,000) in the case of an elected  
 5 state officer of the Assembly or Senate.

6 (B) One hundred thousand dollars (\$100,000) in the case of a  
 7 statewide elected state officer other than the Governor.

8 (C) Two hundred thousand dollars (\$200,000) in the case of  
 9 the Governor.

10 (3) Any contribution received pursuant to this subdivision shall  
 11 be deemed to be a contribution to that candidate for election to  
 12 any state office that he or she may seek during the term of office  
 13 to which he or she is currently elected, including, but not limited  
 14 to, reelection to the office he or she currently holds, and shall be  
 15 subject to any applicable contribution limit provided in this title.  
 16 If a contribution received pursuant to this subdivision exceeds the  
 17 allowable contribution limit for the office sought, the candidate  
 18 shall return the amount exceeding the limit to the contributor on  
 19 a basis to be determined by the Commission. None of the  
 20 expenditures made by elected state officers pursuant to this  
 21 subdivision shall be subject to the voluntary expenditure limitations  
 22 in Section 85400.

23 (4) The commission shall adjust the calendar year contribution  
 24 limitations and aggregate contribution limitations set forth in this  
 25 subdivision in January of every odd-numbered year to reflect any  
 26 increase or decrease in the Consumer Price Index. Those  
 27 adjustments shall be rounded to the nearest one hundred dollars  
 28 (\$100).

29 (c) This section shall not apply in a jurisdiction in which the  
 30 local government imposes a limit on contributions pursuant to  
 31 Section 85702.5.

32 (d) This section shall become operative on January 1, 2018.

33 SEC. 18. Section 85317 of the Government Code is amended  
 34 to read:

35 85317. (a) Notwithstanding subdivision (a) of Section 85306,  
 36 a candidate for elective state office may carry over contributions  
 37 raised in connection with one election for elective state office to  
 38 pay campaign expenditures incurred in connection with a  
 39 subsequent election for the same elective state office.

1     **(b)** *This section shall remain in effect only until January 1, 2018,*  
2 *and as of that date is repealed, unless a later enacted statute, that*  
3 *is enacted before January 1, 2018, deletes or extends that date.*

4     **SEC. 19.** *Section 85317 is added to the Government Code, to*  
5 *read:*

6     **85317.** *(a) Notwithstanding subdivision (a) of Section 85306,*  
7 *a candidate for elective office may carry over contributions raised*  
8 *in connection with one election for elective office to pay campaign*  
9 *expenditures incurred in connection with a subsequent election*  
10 *for the same elective office. This section shall not apply in a*  
11 *jurisdiction in which the local government imposes a limit on*  
12 *contributions pursuant to Section 85702.5.*

13     **(b)** *This section shall become operative on January 1, 2018.*

14     **SEC. 20.** *Section 85318 of the Government Code is amended*  
15 *to read:*

16     **85318.** *(a) A candidate for elective state office may raise*  
17 *contributions for a general election prior to the primary election,*  
18 *and for a special general election prior to a special primary election,*  
19 *for the same elective state office if the candidate sets aside these*  
20 *contributions and uses these contributions for the general election*  
21 *or special general election. If the candidate for elective state office*  
22 *is defeated in the primary election or special primary election, or*  
23 *otherwise withdraws from the general election or special general*  
24 *election, the general election or special general election funds shall*  
25 *be refunded to the contributors on a pro rata basis less any expenses*  
26 *associated with the raising and administration of general election*  
27 *or special general election contributions. Notwithstanding Section*  
28 *85201, candidates for elective state office may establish separate*  
29 *campaign contribution accounts for the primary and general*  
30 *elections or special primary and special general elections.*

31     **(b)** *This section shall remain in effect only until January 1, 2018,*  
32 *and as of that date is repealed, unless a later enacted statute, that*  
33 *is enacted before January 1, 2018, deletes or extends that date.*

34     **SEC. 21.** *Section 85318 is added to the Government Code, to*  
35 *read:*

36     **85318.** *(a) A candidate for elective office may raise*  
37 *contributions for a general election prior to the primary election,*  
38 *and for a special general election prior to a special primary*  
39 *election, for the same elective office if the candidate sets aside*  
40 *these contributions and uses these contributions for the general*

1 *election or special general election. If the candidate for elective*  
 2 *office is defeated in the primary election or special primary*  
 3 *election, or otherwise withdraws from the general election or*  
 4 *special general election, the general election or special general*  
 5 *election funds shall be refunded to the contributors on a pro rata*  
 6 *basis less any expenses associated with the raising and*  
 7 *administration of general election or special general election*  
 8 *contributions. Notwithstanding Section 85201, candidates for*  
 9 *elective office may establish separate campaign contribution*  
 10 *accounts for the primary and general elections or special primary*  
 11 *and special general elections.*

12 *(b) This section shall not apply in a jurisdiction in which the*  
 13 *local government imposes a limit on contributions pursuant to*  
 14 *Section 85702.5.*

15 *(c) This section shall become operative on January 1, 2018.*

16 ~~SEC. 9.~~

17 *SEC. 22.* Section 85702.5 is added to the Government Code,  
 18 to read:

19 ~~85702.5. (a) Except as provided in subdivision (b) of this~~  
 20 ~~section and subdivision (a) of Section 85703, a~~ local government  
 21 agency may, by ordinance or resolution, impose a ~~limitation~~ *limit*  
 22 on contributions to a candidate for local elective ~~office.~~ *office that*  
 23 *is different from the limit set forth in subdivision (d) of Section*  
 24 *85301.* The limitation may also be imposed by means of a local  
 25 initiative measure.

26 ~~(b) A local government agency shall not impose additional~~  
 27 ~~requirements on a person pursuant to subdivision (a) if the~~  
 28 ~~requirements prevent the person from complying with this act.~~

29 ~~(e)~~

30 *(b) A local government agency that establishes a contribution*  
 31 ~~limitation~~ *limit* pursuant to subdivision (a) may adopt enforcement  
 32 standards for a violation of that ~~limitation;~~ *limit*, which may include  
 33 administrative, civil, or criminal penalties.

34 ~~(d) Section 85301.5 and Chapter 11 (commencing with Section~~  
 35 ~~91000) do not apply in a jurisdiction in which the local government~~  
 36 ~~imposes a contribution limitation pursuant to subdivision (a).~~

37 *(c) The commission shall not be responsible for the*  
 38 *administration or enforcement of a contribution limit adopted*  
 39 *pursuant to subdivision (a).*

40 ~~(e)~~

1 (d) This section shall become operative on January 1, 2018. A  
2 local government agency's limit on contributions to a candidate  
3 for local elective office that is in effect on the operative date of  
4 this section shall be deemed to be a limit imposed pursuant to  
5 subdivision (a).

6 ~~SEC. 10. A local government limitation on contributions to a~~  
7 ~~candidate for local elective office that is in effect on the effective~~  
8 ~~date of this act shall be deemed to be a limitation imposed pursuant~~  
9 ~~to Section 85702.5 of the Government Code.~~

10 ~~SEC. 11. This act shall be liberally construed to accomplish~~  
11 ~~its purposes.~~

12 ~~SEC. 12. The provisions of this act are severable. If any~~  
13 ~~provision of this act or its application is held invalid, that invalidity~~  
14 ~~shall not affect other provisions or applications that can be given~~  
15 ~~effect without the invalid provision or application.~~

16 ~~SEC. 13.~~

17 *SEC. 23.* No reimbursement is required by this act pursuant to  
18 Section 6 of Article XIII B of the California Constitution because  
19 the only costs that may be incurred by a local agency or school  
20 district will be incurred because this act creates a new crime or  
21 infraction, eliminates a crime or infraction, or changes the penalty  
22 for a crime or infraction, within the meaning of Section 17556 of  
23 the Government Code, or changes the definition of a crime within  
24 the meaning of Section 6 of Article XIII B of the California  
25 Constitution.

26 ~~SEC. 14.~~

27 *SEC. 24.* The Legislature finds and declares that this bill  
28 furthers the purposes of the Political Reform Act of 1974 within  
29 the meaning of subdivision (a) of Section 81012 of the Government  
30 Code.