

1 Amend 2 Cal. Code Regs. Section 18438.5 as follows:

2 **§ 18438.5. Aggregated Contributions Under Government Code Section 84308.**

3 For purposes of Section 84308:

4 ~~(a) To determine whether a contribution of more than \$250 has been made by any party to~~
5 ~~a proceeding, contributions made by a party's parent, subsidiary, or otherwise related business~~
6 ~~entity, (as those relationships are defined in subdivision (b) below), shall be aggregated and~~
7 ~~treated as if received from the party for purposes of the limitations and disclosure provisions of~~
8 ~~Section 84308.~~

9 To determine whether a contribution of more than \$250 has been made by a party or
10 participant during a 12-month period, the following shall be aggregated:

11 (a) All contributions made by the party or participant;

12 (b) All contributions made by an agent of the party or participant during the shorter of:

13 (1) The previous 12-month period; or

14 (2) The period beginning on the date the party or participant first hired the agent as either
15 a paid employee, contractor, or consultant.

16 (c) All contributions made by an individual, other than an uncompensated officer of a
17 nonprofit organization, or entity required to be aggregated with the party or participant and any
18 agent of the party or participant under Section 82015.5.

19 ~~(b) Parent, Subsidiary, Otherwise Related Business entity, defined.~~

20 ~~(1) Parent subsidiary. A parent subsidiary relationship exists when one corporation has~~
21 ~~50 percent of the voting power of another corporation.~~

22 ~~(2) Otherwise related business entity. Business entities, including corporations,~~
23 ~~partnerships, joint ventures and any other organizations and enterprises operated for profit, which~~
24 ~~do not have a parent subsidiary relationship are otherwise related if any one of the following~~

1 ~~three tests is met:~~

2 ~~(A) One business entity has a controlling ownership interest in the other business entity.~~

3 ~~(B) There is shared management and control between the entities. In determining whether~~
4 ~~there is shared management and control, consideration should be given to the following factors:~~

5 ~~(i) The same person or substantially the same person owns and manages the two entities;~~

6 ~~(ii) There are common or commingled funds or assets;~~

7 ~~(iii) The business entities share the use of the same offices or employees, or otherwise~~
8 ~~share activities, resources or personnel on a regular basis;~~

9 ~~(iv) There is otherwise a regular and close working relationship between the entities; or~~

10 ~~(C) A controlling owner (50% or greater interest as a shareholder or as a general partner)~~
11 ~~in one entity also is a controlling owner in the other entity.~~

12 Note: Authority cited: Section 83112, Government Code. Reference: Sections 82015.5, 84308,
13 Government Code.