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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO ELECTIONS - RHODE ISLAND CAMPAIGN CONTRIBUTIONS AND
EXPENDITURES REPORTING

Introduced By: Senators McCaffrey, Lynch, and Lombardo

Date Introduced: February 28, 2013

Referred To: Senate Judiciary

(Board of Elections)

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 17-25-10, 17-25-10.1 and 17-25-11 of the General Laws in
2 Chapter 17-25 entitled "Rhode Island Campaign Contributions and Expenditures Reporting" are
3 hereby amended to read as follows:

4 **17-25-10. Lawful methods of contributing to support of candidates -- Reporting --**

5 **Disposition of anonymous contributions.** -- (a) No contribution shall be made or received, and
6 no expenditures shall be directly made or incurred, to support or defeat a candidate except
7 through:

8 (1) The duly appointed campaign treasurer, or deputy campaign treasurers, of the
9 candidates, [or the candidate](#);

10 (2) The duly appointed campaign treasurer or deputy campaign treasurers of a political
11 party committee;

12 (3) The duly appointed campaign treasurer or deputy campaign treasurer of a political
13 action committee.

14 (b) It shall be lawful for any person, not otherwise prohibited by law and not acting in
15 concert with any other person or group, to expend personally from that person's own funds a sum
16 which is not to be repaid to him or her for any purpose not prohibited by law to support or defeat
17 a candidate; provided, that any person making the expenditure shall be required to report all of his
18 or her expenditures and expenses, if the total of the money so expended exceeds one hundred

1 dollars (\$100) within a calendar year, to the board of elections within seven (7) days of making
2 the expenditure, ~~and to the campaign treasurer of the candidate or political party committee on~~
3 ~~whose behalf the expenditure or contribution was made, or to his or her deputy, within seven (7)~~
4 ~~days of making the expenditure, who shall cause the expenditures and expenses to be included in~~
5 ~~his or her reports to the board of elections.~~ Whether a person is "acting in concert with any other
6 person or group" for the purposes of this subsection shall be determined by application of the
7 standards set forth in section 17-25-23.

8 (c) Any anonymous contribution received by a candidate, campaign treasurer or deputy
9 campaign treasurer shall not be used or expended, but shall be returned to the donor, if the donor's
10 identity can be ascertained; if not, the contribution shall escheat to the state.

11 **17-25-10.1. Political contributions -- Limitations.** -- (a) (1) No person, other than the
12 candidate to his or her own campaign, nor any political action committee shall make a
13 contribution or contributions to any candidate, as defined by section 17-25-3, or political action
14 committee or political party committee which in the aggregate exceed ~~one thousand dollars~~
15 ~~(\$1,000)~~ one thousand five hundred dollars (\$1,500) within a calendar year, nor shall any person
16 make contributions to more than one state or local candidate, to more than one political action
17 committee, or to more than one political party committee, or to a combination of state and local
18 candidates and political action committees and political party committees which in the aggregate
19 exceed ~~ten thousand dollars (\$10,000)~~ fifteen thousand dollars (\$15,000) within a calendar year,
20 nor shall any political action committee make such contributions which in the aggregate exceed
21 ~~twenty five thousand dollars (\$25,000)~~ forty thousand dollars (\$40,000) within a calendar year,
22 nor shall any candidate or any political action committee or any political party committee accept
23 a contribution or contributions which in the aggregate exceed ~~one thousand dollars (\$1,000)~~ one
24 thousand five hundred dollars (\$1,500) within a calendar year from any one person or political
25 action committee.

26 (2) Notwithstanding the provisions of subdivision (1) of this subsection, a person or
27 political action committee or political party committee may contribute an amount which in the
28 aggregate does not exceed ~~ten thousand dollars (\$10,000)~~ fifteen thousand dollars (\$15,000)
29 within a calendar year to a political party committee, which funds can be utilized for
30 organizational and party building activities, but shall not be used for contributions to candidates
31 state and local for public office.

32 (b) Contributions to a named candidate made to any political committee authorized by
33 that candidate to accept contributions on the candidate's behalf shall be considered to be
34 contributions made to the candidate. Contributions to a candidate by a political committee for

1 another person shall be considered to be contributions by that person.

2 (c) Expenditures made by any person in cooperation, consultation or concert with, or at
3 the request or suggestion of, a candidate, the candidate's authorized political committees, or their
4 agents shall be considered to be a contribution to the candidate.

5 (d) The financing by any person of the dissemination, distribution, or republication, in
6 whole or in part, of any broadcast or any written, graphic, or other form of campaign materials
7 prepared by the candidate, the candidate's campaign committees, or their authorized agents shall
8 be considered to be a contribution to a candidate.

9 (e) Nothing in this section shall be construed to restrict political party committees
10 organized pursuant to this title from making contributions to the candidates of that political party;
11 provided, that these contributions, other than allowable "in-kind" contributions, shall not exceed,
12 in the aggregate, ~~twenty five thousand dollars (\$25,000)~~ forty thousand dollars (\$40,000) to any
13 one candidate within a calendar year, nor shall any candidate accept a contribution or
14 contributions, other than allowable "in-kind" contributions, which in the aggregate exceed
15 ~~twenty five thousand dollars (\$25,000)~~ forty thousand dollars (\$40,000) within a calendar year
16 from all committees of his or her political party. There shall be no restriction on the amount of
17 "in-kind" contributions that a political party committee may make to a candidate of its political
18 party; provided, that for the purposes of this subsection only, the cost of any preparation and
19 airing of television and/or radio advertisements and the cost of any print advertisements shall not
20 be considered an allowable "in-kind" contribution and shall be subject to the aggregate limitation
21 of ~~twenty five thousand dollars (\$25,000)~~ forty thousand dollars (\$40,000).

22 (f) (1) A contribution from an individual's dependent children, as defined in section 36-
23 14-2, shall be deemed a contribution from the individual for the purpose of determining whether
24 aggregate contributions exceed either the ~~one hundred dollar (\$100)~~ two hundred dollars (\$200)
25 threshold for reporting purposes or the ~~one thousand dollar (\$1,000)~~ one thousand five hundred
26 dollars (\$1,500) maximum for contributions to a single candidate or political action committee or
27 the ~~ten thousand dollar (\$10,000)~~ fifteen thousand dollars (\$15,000) maximum for contributing to
28 all candidates and political action committees within a calendar year.

29 (2) No dependent child shall contribute an amount which, when added to contributions
30 already made by that child's parent or legal guardian and by other dependent children of that
31 parent or legal guardian, exceed the ~~one thousand dollar (\$1,000)~~ one thousand five hundred
32 dollars (\$1,500) maximum for contributions to a single candidate or political action committee or
33 exceed the ~~ten thousand dollar (\$10,000)~~ fifteen thousand dollars (\$15,000) maximum for
34 contributions to all state or local candidates and political action committees within a calendar

1 year.

2 (g) Nothing in this section shall be construed to restrict the amount of money that a
3 candidate can borrow in his or her own name, and subsequently contribute or loan to his or her
4 own campaign.

5 (h) (1) It shall be unlawful for any corporation, whether profit or non-profit, domestic
6 corporation or foreign corporation, as defined in section 7-1.2-106, or other business entity to
7 make any campaign contribution or expenditure, as defined in section 17-25-3, to or for any
8 candidate, political action committee, or political party committee, or for any candidate, political
9 action committee, or political party committee to accept any campaign contribution or
10 expenditure from a corporation or other business entity. Any contribution made in the personal
11 name of any employee of a corporation or other business entity, for which the employee received
12 or will receive reimbursement from the corporation or other business entity, shall be considered
13 as a contribution by the corporation or other business entity, in violation of this section.

14 (2) Any voluntary payroll deduction and/or contribution made by employees of a
15 corporation or other business entity shall not be deemed a contribution of a corporation or other
16 business entity, notwithstanding that the contributions were sent to the recipient by the
17 corporation or other business entity.

18 (i) All contributions of funds shall be by check, money order, or credit card and may be
19 made over the Internet, but in each case the source of the funds must be identified; provided, that
20 candidates may accept contributions in cash which do not exceed ~~twenty five dollars (\$25.00)~~
21 fifty dollars (\$50.00) in the aggregate from an individual within a calendar year. The cash
22 contribution must be delivered directly by the donor to the candidate, his or her campaign
23 treasurer, or deputy treasurer. The treasurer or deputy treasurer shall maintain a record of the
24 name and address of all persons making these cash contributions.

25 (j) Except as provided in subsection (h) of this section, no entity other than an individual,
26 a political action committee which is duly registered and qualified pursuant to the terms of this
27 chapter, political party committee authorized by this title, or an authorized committee of an
28 elected official or candidate established pursuant to this chapter shall make any contribution to or
29 any expenditure on behalf of or in opposition to any candidate, political action committee, or
30 political party.

31 **17-25-11. Dates for filing of reports by treasurers of candidates or of committees. --**

32 (a) During the period between the appointment of the campaign treasurer for state and municipal
33 committees and political action committees, or in the case of an individual, the date on which the
34 individual becomes a "declared or undeclared candidate", as defined in section 17-25-3(2), except

1 when the ninety (90) day reporting period ends less than forty (40) days prior to an election, in
2 which case the ninety (90) day report shall be included as part of the report required to be filed on
3 the twenty-eighth (28th) day next preceding the day of the primary, general, or special election
4 pursuant to subdivision (2) of this subsection, and the election, with respect to which
5 contributions are received or expenditures made by him or her in behalf of or in opposition to a
6 candidate, the campaign treasurer of a candidate, a political party committee, or a political action
7 committee shall file a report containing an account of contributions received and expenditures
8 made on behalf of or in opposition to a candidate:

9 (1) At ninety (90) day intervals commencing on the date on which the individual first
10 becomes a candidate, as defined in section 17-25-3(2);

11 (2) In a contested election, on the twenty-eighth (28th) and seventh (7th) days next
12 preceding the day of the primary, general, or special election; provided, that in the case of a
13 primary election for a special election, where the twenty-eighth (28th) day next preceding the day
14 of the primary election occurs prior to the first day for filing declarations of candidacy pursuant to
15 section 17-14-1, the reports shall be due on the fourteenth (14th) and seventh (7th) days next
16 preceding the day of the primary election for the special election; and

17 (3) A final report on the twenty-eighth (28th) day following the election. The report shall
18 contain:

19 (i) The name and address and place of employment of each person from whom
20 contributions in excess of a total of ~~one hundred dollars (\$100)~~ two hundred dollars (\$200) within
21 a calendar year were received;

22 (ii) The amount contributed by each person;

23 (iii) The name and address of each person to whom expenditures in excess of one
24 hundred dollars (\$100) were made; and

25 (iv) The amount and purpose of each expenditure.

26 (b) Concurrent with the report filed on the twenty-eighth (28th) day following an
27 election, or at any time thereafter, the campaign treasurer of a candidate, or political party
28 committee or political action committee, may certify to the board of elections that the campaign
29 fund of the candidate, political party committee, or political action committee having been
30 instituted for the purposes of the past election, has completed its business and been dissolved or,
31 in the event that the committee will continue its activities beyond the election, that its business
32 regarding the past election has been completed; and the certification shall be accompanied by a
33 final accounting of the campaign fund, or of the transactions relating to the election, including the
34 final disposition of any balance remaining in the fund at the time of dissolution or the

1 arrangements which have been made for the discharge of any obligations remaining unpaid at the
2 time of dissolution.

3 (c) Once the campaign treasurer certifies that the campaign fund has completed its
4 business and been dissolved, no contribution which is intended to defray expenditures incurred on
5 behalf of or in opposition to a candidate during the campaign can be accepted. Until the time that
6 the campaign treasurer certifies that the campaign fund has completed its business and been
7 dissolved, the treasurer shall file reports containing an account of contributions received and
8 expenditures made at ninety (90) day intervals commencing with the next quarterly report
9 following the election; however, the time to file under this subsection shall be no later than the
10 last day of the month following the ninety (90) day period, except when the last day of the month
11 filing deadline following the ninety (90) day reporting period occurs less than twenty-eight (28)
12 days before an election, in which case the report shall be filed pursuant to the provisions of
13 subdivisions (a)(1) and (2) of this section. Provided, however, if the last day of the month falls on
14 a weekend or a holiday, the report shall be due on the following business day.

15 ~~(d) (1) There shall be no obligation to file the reports of expenditures required by this~~
16 ~~section on behalf of or in opposition to a candidate if the total amount to be expended in behalf of~~
17 ~~the candidacy by the candidate, by any political party committee, by any political action~~
18 ~~committee, or by any person shall not in the aggregate exceed one thousand dollars (\$1,000).~~

19 ~~(2) However, even though the aggregate amount expended on behalf of the candidacy~~
20 ~~does not exceed one thousand dollars (\$1,000), reports must be made listing the source and~~
21 ~~amounts of all contributions in excess of a total of one hundred dollars (\$100) from any one~~
22 ~~source within a calendar year. Even though the aggregate amount expended on behalf of the~~
23 ~~candidacy does not exceed one thousand dollars (\$1,000) and no contribution from any one~~
24 ~~source within a calendar year exceeds one hundred dollars (\$100), the report shall state the~~
25 ~~aggregate amount of all contributions received. In addition, the report shall state the amount of~~
26 ~~aggregate contributions that were from individuals, the amount from political action committees,~~
27 ~~and the amount from political party committees.~~

28 ~~(e)~~(d) On or before the first date for filing contribution and expenditure reports, the
29 campaign treasurer may file a sworn statement that the treasurer will accept no contributions
30 which in the aggregate exceed two hundred dollars (\$200) from a single source within a calendar
31 year nor make aggregate expenditures in excess of one thousand five hundred dollars (\$1,500)
32 within the same calendar year ~~the minimum amounts for which a report is required by this~~
33 ~~chapter.~~ Provided, however, that for the purpose of this section only, loans or contributions by a
34 candidate to his or her own campaign or contributions received in-kind from the political party

1 committee of the candidate may exceed two hundred dollars (\$200) in aggregate within a
2 calendar year. Thereafter, the campaign treasurer shall be excused from filing all the reports for
3 that campaign, other than the final report due on the twenty-eighth (28th) day following the
4 election.

5 ~~(f)~~(e) A campaign treasurer must file a report containing an account of contributions
6 received and expenditures made at the ninety (90) day intervals provided for in subsection (c) of
7 this section for any ninety (90) day period in which the campaign received contributions in excess
8 of a total of ~~one hundred dollars (\$100)~~ two hundred dollars (\$200) within a calendar year from
9 any one source and/or made expenditures in excess of ~~one thousand dollars (\$1,000)~~ one
10 thousand five hundred dollars (\$1,500) within a calendar year; however, the time to file under this
11 subsection shall be no later than the last day of the month following the ninety (90) day period,
12 except when the last day of the month filing deadline following the ninety (90) day reporting
13 period occurs less than twenty-eight (28) days before an election, in which case the report shall be
14 filed pursuant to the provisions of subdivisions (a)(1) and (2) of this section. Provided, however,
15 if the last day of the month falls on a weekend or a holiday, the report shall be due on the
16 following business day.

17 ~~(g)~~(f) (1) The board of elections may, for good cause shown and upon the receipt of a
18 written or electronic request, ~~grant a seven (7) day extension for filing a report; provided, that the~~
19 ~~request must be~~ received no later than the date upon which the report is due to be filed grant up to
20 a seven (7) day extension for filing a report; provided that no extension shall be granted for filing
21 a report due seven (7) days before an election.

22 (2) Any person or entity required to file reports with the board of elections pursuant to
23 this section and who has not filed the report by the required date, unless granted an extension
24 pursuant to subdivision (1) of this subsection, shall be fined twenty-five dollars (\$25.00).
25 Notwithstanding any of the provisions of this section, the board of elections shall have the
26 authority to waive late filing fees for good cause shown.

27 (3) The board of elections shall send a notice of non-compliance, ~~by certified mail,~~ to
28 any person or entity who fails to file the reports required by this section. A person or entity who is
29 sent a notice of non-compliance and fails to file the required report within ~~seven (7)~~ fourteen (14)
30 days of the ~~receipt~~ mailing of the notice shall be fined two dollars (\$2.00) per day from the day of
31 ~~receipt~~ mailing of the notice of non-compliance until the day the report has been received by the
32 state board. Notwithstanding any of the provisions of this section, the board of elections shall
33 have the authority to waive late filing fees for good cause shown.

34 (4) Total fines and fees assessed by the board of elections pursuant to this section shall

1 not exceed two thousand dollars (\$2,000).

2 (5) Any candidate or officeholder required to file reports pursuant to this chapter and
3 having failed to file four (4) or more reports, or who has outstanding fines and fees totaling two
4 thousand dollars (\$2,000) or more, shall be prohibited from receiving any contributions or
5 making any expenditures and may not file a declaration as a candidate for public state, local or
6 general office until all delinquent reports are filed and all fines and fees are paid in full.

7 (6) Any political action committee or political party committee required to file reports
8 pursuant to this chapter and having failed to file four (4) or more reports, or who has outstanding
9 fines and fees of two thousand dollars (\$2,000) or more, shall be prohibited from making any
10 expenditures until all delinquent reports are filed and fines and fees are paid in full. Any persons
11 issuing a check or making an expenditure in violation of this section shall be personally and
12 severally responsible for any fines assessed for the violation.

13 (7) Any candidate, officeholder, committee member or other person found in violation of
14 subdivisions (5) and (6) above shall be subject to the penalty provisions of this chapter.

15 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO ELECTIONS - RHODE ISLAND CAMPAIGN CONTRIBUTIONS AND
EXPENDITURES REPORTING

1 This act would revise the campaign contribution and expenditure laws to: (1) provide for
2 the elimination of the requirement for an independent advocate to notify a candidate or political
3 party committee on whose behalf a contribution or expenditure has been made; (2) include a
4 candidate as an allowable recipient of campaign contributions; (3) increase contribution limits
5 and allow a candidate who funds his/her own campaign, or who receives contributions in-kind
6 from a political party, to qualify for the annual filing exemption; (4) cap accrued fines for
7 delinquent reports at \$2,000; (5) eliminate the requirement to send notices of non-compliance by
8 certified mail; (6) clarify the time period for filing extensions; and (7) prohibit a long-term non-
9 filer from accepting contributions, making expenditures or declaring for office until such time as
10 the non-filer becomes compliant.

11 This act would take effect upon passage.

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