

2017 -- H 5948

=====
LC001850
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

—————
A N A C T

RELATING TO ELECTIONS - CAMPAIGN FINANCE

Introduced By: Representatives Hearn, Canario, Marshall, Knight, and Nunes

Date Introduced: March 17, 2017

Referred To: House Judiciary

(Board of Elections)

It is enacted by the General Assembly as follows:

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

4 **17-25-11. Dates for filing of reports by treasurers of candidates or of committees.**

5 (a) During the period between the appointment of the campaign treasurer for state and
6 municipal committees and political action committees, or in the case of an individual the date on
7 which the individual becomes a "declared or undeclared candidate" as defined in § 17-25-3(2),
8 except when the ninety-day (90) reporting period ends less than forty (40) days prior to an
9 election in which case the ninety-day (90) report shall be included as part of the report required to
10 be filed on the twenty-eighth (28th) day next preceding the day of the primary, general, or special
11 election pursuant to subdivision (2) of this subsection, and the election, with respect to which
12 contributions are received or expenditures made by him or her in behalf of, or in opposition to, a
13 candidate, the campaign treasurer of a candidate, a political party committee, or a political action
14 committee shall file a report containing an account of contributions received, and expenditures
15 made, on behalf of, or in opposition to, a candidate:

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

18 (2) In a contested election, on the twenty-eighth (28th) and seventh (7th) days next
19 preceding the day of the primary, general, or special election; provided, that in the case of a

1 primary election for a special election where the twenty-eighth (28th) day next preceding the day
2 of the primary election occurs prior to the first day for filing declarations of candidacy pursuant to
3 § 17-14-1, the reports shall be due on the fourteenth (14th) and seventh (7th) days next preceding
4 the day of the primary election for the special election; and

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

7 (i) The name and address and place of employment of each person from whom
8 contributions in excess of a total of one hundred dollars (\$100) within a calendar year were
9 received;

10 (ii) The amount contributed by each person;

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

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

14 (b) Concurrent with the report filed on the twenty-eighth (28th) day following an
15 election, or at any time thereafter, the campaign treasurer of a candidate, or political party
16 committee, or political action committee, may certify to the board of elections that the campaign
17 fund of the candidate, political party committee, or political action committee having been
18 instituted for the purposes of the past election, has completed its business and been dissolved or,
19 in the event that the committee will continue its activities beyond the election, that its business
20 regarding the past election has been completed. The certification shall be accompanied by a final
21 accounting of the campaign fund, or of the transactions relating to the election, including the final
22 disposition of any balance remaining in the fund at the time of dissolution or the arrangements
23 that have been made for the discharge of any obligations remaining unpaid at the time of
24 dissolution.

25 (c) (1) Once the campaign treasurer certifies that the campaign fund has completed its
26 business and been dissolved, no contribution that is intended to defray expenditures incurred on
27 behalf of, or in opposition to, a candidate during the campaign can be accepted. Until the time
28 that the campaign treasurer certifies that the campaign fund has completed its business and been
29 dissolved, the treasurer shall file reports containing an account of contributions received and
30 expenditures made at ninety-day (90) intervals commencing with the next quarterly report
31 following the election; however, the time to file under this subsection shall be no later than the
32 last day of the month following the ninety-day (90) period, except when the last day of the month
33 filing deadline following the ninety-day (90) reporting period occurs less than twenty-eight (28)
34 days before an election, in which case the report shall be filed pursuant to the provisions of

1 subdivisions (a)(1) and (2) of this section. Provided, however, if the last day of the month falls on
2 a weekend or a holiday, the report shall be due on the following business day.

3 (2) In addition to the reports required pursuant to this section, a candidate or office holder
4 shall also file with the board of elections a paper copy of the account statement from the office
5 holder's campaign account, which account statement shall be the next account statement issued by
6 their financial institution after the filing of the fourth quarterly campaign expense report. A
7 candidate/treasurer certifying that the campaign fund has completed its business and has been
8 dissolved shall also file with the board of elections a paper copy of the account statement from
9 the candidate's or office holder's campaign account, which account statement shall be the account
10 statement issued by the candidate's or office holder's financial institution next following the date
11 of dissolution. In each instance, the ~~The~~ account statement shall be submitted to the board within
12 thirty (30) days of its receipt by the candidate, officeholder, treasurer, or deputy treasurer. The
13 account statement shall not be deemed a public record pursuant to the provisions of chapter 2 of
14 title 38. The board of elections, its agents, and employees shall not publish, deliver, copy, or
15 disclose, to any person or entity any account statement or information contained therein for any
16 candidate, former candidate, officeholder, party, or political action committee. Provided, as to
17 state and municipal political parties, the requirements of this subsection (c)(2) shall apply to the
18 annual report required pursuant to § 17-25-7.

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

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

32 (e) On or before the first date for filing contribution and expenditure reports, the
33 campaign treasurer may file a sworn statement that the treasurer will accept no contributions in
34 excess of one hundred dollars (\$100) from a single source within a calendar year nor make

1 aggregate expenditures in excess of ~~the minimum amounts for which a report is required by this~~
2 ~~chapter~~ one thousand dollars (\$1,000) within the calendar year. Provided, however, that for the
3 purposes of this section only, aggregate loans or contributions by a candidate to their own
4 campaign, or aggregate contributions received in-kind from the political party committee of the
5 candidate may exceed one hundred dollars (\$100) within the calendar year. Thereafter, the
6 campaign treasurer shall be excused from filing all the reports for that campaign, other than the
7 final report due by January 31 of the year next following the year for which the sworn statement
8 is filed.

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

20 (g) (1) The board of elections may, for good cause shown and upon the receipt of a
21 written or electronic request, grant a seven-day (7) extension for filing a report; provided, that the
22 request must be received no later than the date upon which the report is due to be filed.

23 (2) Any person or entity required to file reports with the board of elections pursuant to
24 this section and who or that has not filed the report by the required date, unless granted an
25 extension pursuant to subdivision (1) of this subsection, shall be fined twenty-five dollars
26 (\$25.00), provided that in the case when a candidate has not filed the report by the required date,
27 the fine shall be assessed against the treasurer of the political action committee or political party
28 committee required to file such report. Notwithstanding any of the provisions of this section, the
29 board of elections shall have the authority to waive late filing fees for good cause shown.

30 (3) The board of elections shall send a notice of non-compliance, by certified mail, to any
31 person or entity who or that fails to file the reports required by this section. A person or entity
32 who or that is sent a notice of non-compliance and fails to file the required report within seven (7)
33 days of the receipt of the notice, shall be fined two dollars (\$2.00) per day from the day of receipt
34 of the notice of non-compliance until the day the report has been received by the state board.

1 provided that in the case when a candidate has not filed the report by the required date, the fine
2 shall be assessed against the candidate; and in all other instances, the fines shall be assessed
3 against the treasurer of the political action committee or political party committee required to file
4 such report. Notwithstanding any of the provisions of this section, the board of elections shall
5 have the authority to waive late filing fees for good cause shown.

6 (h) The maximum fine that may be assessed by the board of elections against a person or
7 entity required to file reports pursuant to this section shall be no greater than one thousand dollars
8 (\$1,000) for any one report which is filed later than the prescribed date. Notwithstanding any of
9 the provisions of this section, the board of elections shall have the authority to waive late filing
10 fees for good cause shown.

11 (i)(1) In the event that any candidate, political action committee or political party
12 committee fails to file any report within the time required by this section, or files a report that
13 does not comply with each of the requirements of this chapter, the board staff shall notify the
14 person in writing of the delinquency and provide the person or treasurer with fourteen (14) days
15 from the date of the delinquency notice to either file the report or amend the report, or to request a
16 hearing before the board.

17 When the report or amended report has not been filed within fourteen (14) days from the
18 notice of delinquency, the board must either initiate a civil action against the candidate, or the
19 treasurer of the political action committee or political party committee, or refer the matter to the
20 attorney general for further consideration.

21 (2) In addition to all other remedies, fines and penalties provided in this chapter, the
22 name of any candidate who fails to file their report after the commencement of a civil action or
23 referral to the attorney general must not appear on any state or local ballot until and unless the
24 delinquency has been remedied to the satisfaction of the board of elections or the superior court.
25 The board of elections must notify the secretary of state of the names of those candidates against
26 whom civil proceedings for failure to file have been initiated and must do so within three (3)
27 business days following the filing of the civil action or the referral to the attorney general.

28 (3) Any candidate who is disqualified from appearing on any state or local ballot as set
29 forth above shall be ineligible to be nominated or elected as a write-in candidate unless the
30 candidate shall have filed the reports which are the subject of the civil proceedings or referral to
31 the attorney general by the date of the primary, general, or special election in which the candidate
32 is seeking nomination or election.

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

=====
LC001850
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO ELECTIONS - CAMPAIGN FINANCE

1 This act would make numerous changes to the campaign finance report law concerning
2 exemptions, filing paper copies of statements, and maximum late filing fines. It also authorizes
3 the board of elections to initiate civil proceedings to compel a candidate to file a finance report or
4 to refer the matter to the attorney general for further investigation. No candidate who failed to file
5 a campaign finance report after commencement of a civil action or referral to the attorney general
6 would be allowed to appear on any state or local ballot until the matter is resolved.

7 This act would take effect upon passage.

=====
LC001850
=====