#### 2018 -- H 7731



STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

#### **JANUARY SESSION, A.D. 2018**

#### AN ACT

# RELATING TO ELECTIONS -- RHODE ISLAND CAMPAIGN CONTRIBUTIONS AND EXPENDITURES REPORTING

Introduced By: Representatives Perez, O'Brien, Hull, and Lombardi

Date Introduced: February 28, 2018

Referred To: House Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 17-25-10.1 of the General Laws in Chapter 17-25 entitled "Rhode

Island Campaign Contributions and Expenditures Reporting" is hereby amended to read as

follows:

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#### <u>17-25-10.1. Political contributions -- Limitations.</u>

(a) (1) No person, other than the candidate to his or her own campaign, nor any political action committee shall make a contribution or contributions to any candidate, as defined by § 17-25-3, or political action committee or political party committee that, in the aggregate, exceed one thousand dollars (\$1,000) two thousand dollars (\$2,000) within a calendar year; nor shall any political action committee make such contributions that in the aggregate, exceed twenty-five thousand dollars (\$25,000) within a calendar year; nor shall any candidate or any political action committee or any political party committee accept a contribution or contributions that, in the aggregate, exceed one thousand dollars (\$1,000) two thousand dollars (\$2,000) within a calendar

year from any one person or political action committee.

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

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

- (c) Expenditures made by any person in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, the candidate's authorized political committees, or their agents shall be considered to be a contribution to the candidate.
- (d) The financing by any person of the dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign materials prepared by the candidate, the candidate's campaign committees, or their authorized agents shall be considered to be a contribution to a candidate.
- (e) Nothing in this section shall be construed to restrict political party committees organized pursuant to this title from making contributions to the candidates of that political party; provided, that these contributions, other than allowable "in-kind" contributions, shall not exceed, in the aggregate, twenty-five thousand dollars (\$25,000) to any one candidate within a calendar year; nor shall any candidate accept a contribution or contributions, other than allowable "in-kind" contributions, that, in the aggregate, exceed twenty-five thousand dollars (\$25,000) within a calendar year from all committees of his or her political party. There shall be no restriction on the amount of "in-kind" contributions that a political party committee may make to a candidate of its political party; provided, that for the purposes of this subsection only, the cost of any preparation and airing of television and/or radio advertisements and the cost of any print advertisements shall not be considered an allowable "in-kind" contribution and shall be subject to the aggregate limitation of twenty-five thousand dollars (\$25,000).
- (f) (1) A contribution from an individual's dependent children, as defined in § 36-14-2, shall be deemed a contribution from the individual for the purpose of determining whether aggregate contributions exceed either the one hundred dollar (\$100) threshold for reporting purposes or the one thousand dollar (\$1,000) two thousand dollars (\$2,000) maximum for contributions to a single candidate or political action committee within a calendar year.
- (2) No dependent child shall contribute an amount that, when added to contributions already made by that child's parent or legal guardian and by other dependent children of that parent or legal guardian, exceed the one thousand dollar (\$1,000) maximum two thousand dollars (\$2,000) for contributions to a single candidate or political action committee within a calendar year.
  - (g) Nothing in this section shall be construed to restrict the amount of money that a

candidate can borrow in his or her own name, and subsequently contribute or loan to his or her own campaign.

- (h) (1) It shall be unlawful for any corporation, whether profit or non-profit, domestic corporation or foreign corporation, as defined in § 7-1.2-106, or other business entity to make any campaign contribution or expenditure, as defined in § 17-25-3, to or for any candidate, political action committee, or political party committee, or for any candidate, political action committee, or political party committee to accept any campaign contribution or expenditure from a corporation or other business entity. Any contribution made in the personal name of any employee of a corporation or other business entity, for which the employee received or will receive reimbursement from the corporation or other business entity, shall be considered as a contribution by the corporation or other business entity, in violation of this section.
- (2) Any voluntary payroll deduction and/or contribution made by employees of a corporation or other business entity shall not be deemed a contribution of a corporation or other business entity, notwithstanding that the contributions were sent to the recipient by the corporation or other business entity.
- (i) All contributions of funds shall be by check, money order, or credit card and may be made over the internet, but in each case the source of the funds must be identified; provided, that candidates, political action committees, and political party committees may accept contributions in cash that do not exceed twenty-five dollars (\$25.00) in the aggregate from an individual within a calendar year. The cash contribution must be delivered directly by the donor to the candidate, the campaign treasurer, or deputy treasurer. The treasurer or deputy treasurer shall maintain a record of the name and address of all persons making these cash contributions.
- (j) Except as provided in subsection (h) of this section, no entity other than an individual, a political action committee which is duly registered and qualified pursuant to the terms of this chapter, political party committee authorized by this title, or an authorized committee of an elected official or candidate established pursuant to this chapter shall make any contribution to or any expenditure on behalf of or in opposition to any candidate, political action committee, or political party.
- (k) For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. The intermediary or conduit shall report the original source and the intended recipient of such contribution to the board of elections and to the intended recipient, in accordance with regulations and reporting

- 1 requirements promulgated by the board of elections.
- 2 SECTION 2. This act shall take effect upon passage.

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## **EXPLANATION**

#### BY THE LEGISLATIVE COUNCIL

OF

## AN ACT

# RELATING TO ELECTIONS -- RHODE ISLAND CAMPAIGN CONTRIBUTIONS AND EXPENDITURES REPORTING

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This act would increase the yearly aggregate amount that may be contributed to or accepted by a person, political action committee or political party committee to two thousand dollars (\$2,000).

This act would take effect upon passage.

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