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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

A N A C T

RELATING TO ELECTIONS - CAMPAIGN FINANCE

Introduced By: Representative Arthur J. Corvese

Date Introduced: June 25, 2019

Referred To: House Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 17-25-3, 17-25-7, 17-25-10, 17-25-10.1, 17-25-11 and 17-25-15 of
2 the General Laws in Chapter 17-25 entitled "Rhode Island Campaign Contributions and
3 Expenditures Reporting" are hereby amended to read as follows:

4 **17-25-3. Definitions.**

5 As used in this chapter, unless a different meaning clearly appears from the context:

6 (1) "Business entity" means any corporation, whether for profit or not for profit, domestic
7 corporation or foreign corporation, as defined in § 7-1.2-106, financial institution, cooperative,
8 association, receivership, trust, holding company, firm, joint stock company, public utility, sole
9 proprietorship, partnership, limited partnership, or any other entity recognized by the laws of the
10 United States and/or the state of Rhode Island for the purpose of doing business. The term
11 "business entity" shall not include a political action committee organized pursuant to this chapter
12 or a political party committee or an authorized campaign committee of a candidate or office
13 holder. The term "business entity" shall not include any exempt nonprofit as defined herein or any
14 organization described in § 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent
15 corresponding internal revenue code of the United States, as amended from time to time, for the
16 purposes of chapter 25.3 of title 17.

17 (2) "Candidate" means any individual who undertakes any action, whether preliminary or
18 final, which is necessary under the law to qualify for nomination for election or election to public
19 office, and/or any individual who receives a contribution or makes an expenditure, or gives his or

1 her consent for any other person to receive a contribution or make an expenditure, with a view to
2 bringing about his or her nomination or election to any public office, whether or not the specific
3 public office for which he or she will seek nomination or election is known at the time the
4 contribution is received or the expenditure is made and whether or not he or she has announced
5 his or her candidacy or filed a declaration of candidacy at that time.

6 (3) "Conduit" or "intermediary" means any person who receives and forwards an
7 earmarked contribution to a candidate or a candidate's authorized committee, except as otherwise
8 limited in this chapter.

9 (4) "Contributions" and "expenditures" include all transfers of money, credit or debit card
10 transactions, on-line or electronic payment systems such as "pay pal", paid personal services, or
11 other thing of value to or by any candidate, committee of a political party, or political action
12 committee or ballot question advocate. A loan shall be considered a contribution of money until it
13 is repaid.

14 (5) "Earmarked" means a designation, instruction, or encumbrance, whether direct or
15 indirect, express or implied, oral or written, that results in all or any part of a contribution or
16 expenditure being made to, or expended on behalf of, a clearly identified candidate or a
17 candidate's authorized committee.

18 (6) "Election" means any primary, general, or special election or town meeting for any
19 public office of the state, municipality, or district, or for the determination of any question
20 submitted to the voters of the state, municipality, or district.

21 (7) "Election cycle" means the twenty-four month (24) period commencing on January 1
22 of odd number years and ending on December 31 of even number years; provided, with respect to
23 the public financing of election campaigns of general officers under §§ 17-25-19, 17-25-20, and
24 17-25-25, "election cycle" means the forty-eight month (48) period commencing on January 1 of
25 odd numbered years and ending December 31 of even numbered years.

26 (8) "In-kind contributions" means the monetary value of other things of value or paid
27 personal services donated to, or benefiting, any person required to file reports with the board of
28 elections.

29 (9) "Other thing of value" means any item of tangible real or personal property of a fair-
30 market value in excess of ~~one hundred dollars (\$100)~~ twenty-five dollars (\$25.00).

31 (10) "Paid personal services" means personal services of every kind and nature, the cost
32 or consideration for which is paid or provided by someone other than the committee or candidate
33 for whom the services are rendered, but shall not include personal services provided without
34 compensation by persons volunteering their time.

1 (11) "Person" means an individual, partnership, committee, association, corporation,
2 union, charity, and/or any other organization. The term "person" shall not include any exempt
3 nonprofit as defined herein or any organization described in § 501(c)(3) of the Internal Revenue
4 Code of 1986, or any subsequent corresponding internal revenue code of the United States, as
5 amended from time to time, for the purposes of chapter 25.3 of title 17 only.

6 (12) "Political action committee" means any group of two (2) or more persons that
7 accepts any contributions to be used for advocating the election or defeat of any candidate or
8 candidates. Only political action committees that have accepted contributions from fifteen (15) or
9 more persons in amounts of ten dollars (\$10.00) or more within an election cycle shall be
10 permitted to make contributions, and those committees must make contributions to at least five
11 (5) candidates for state or local office within an election cycle.

12 (13) "Public office" means any state, municipal, school, or district office or other position
13 that is filled by popular election, except political party offices. "Political party offices" means any
14 state, city, town, ward, or representative or senatorial district committee office of a political party
15 or delegate to a political party convention, or any similar office.

16 (14) "State" means state of Rhode Island.

17 (15) "Testimonial affair" means an affair of any kind or nature including, but not limited
18 to, cocktail parties, breakfasts, luncheons, dinners, dances, picnics, or similar affairs expressly
19 and directly intended to raise campaign funds in behalf of a candidate to be used for nomination
20 or election to a public office in this state, or expressly and directly intended to raise funds in
21 behalf of any state or municipal committee of a political party, or expressly and directly intended
22 to raise funds in behalf of any political action committee.

23 (16) "Electioneering communication" means any print, broadcast, cable, satellite, or
24 electronic media communication not coordinated, as set forth in § 17-25-23, with any candidate,
25 authorized candidate campaign committee, or political party committee and that unambiguously
26 identifies a candidate or referendum and is made either within sixty (60) days before a general or
27 special election or town meeting for the office sought by the candidate or referendum; or thirty
28 (30) days before a primary election, for the office sought by the candidate; and is targeted to the
29 relevant electorate.

30 (i) A communication that refers to a clearly identified candidate or referendum is
31 "targeted to the relevant electorate" if the communication can be received by two thousand
32 (2,000) or more persons in the district the candidate seeks to represent or the constituency voting
33 on the referendum.

34 (ii) Exceptions: The term "electioneering communication" does not include:

1 (A) A communication appearing in a news story, commentary, or editorial distributed
2 through the facilities of any broadcasting station, unless such facilities are owned or controlled by
3 any political party, political committee, or candidate;

4 (B) A communication that constitutes a candidate debate or forum conducted pursuant to
5 regulations adopted by the board of elections or that solely promotes such a debate or forum and
6 is made by or on behalf of the person sponsoring the debate or forum;

7 (C) A communication made by any business entity to its members, owners, stockholders,
8 or employees;

9 (D) A communication over the internet, except for (I) Communications placed for a fee
10 on the website of another person, business entity, or political action committee; and (II) Websites
11 formed primarily for the purpose, or whose primary purpose is, to expressly advocate the election
12 or defeat of a clearly identified candidate or the passage or defeat of a referendum; or

13 (E) Any other communication exempted under such regulations as the board of elections
14 may promulgate (consistent with the requirements of this paragraph) to ensure the appropriate
15 implementation of this paragraph.

16 (17) "Independent expenditure" means an expenditure that, when taken as a whole,
17 expressly advocates the election or defeat of a clearly identified candidate, or the passage or
18 defeat of a referendum, or amounts to the functional equivalent of such express advocacy, and is
19 in no way coordinated, as set forth in § 17-25-23, with any candidate's campaign, authorized
20 candidate committee, or political party committee. An expenditure amounts to the functional
21 equivalent of express advocacy if it can only be interpreted by a reasonable person as advocating
22 the election, passage, or defeat of a candidate or referendum, taking into account whether the
23 communication mentions a candidate or referendum and takes a position on a candidate's
24 character, qualifications, or fitness for office. An independent expenditure is not a contribution to
25 that candidate or committee.

26 (i) Exceptions: The term "independent expenditure" does not include:

27 (A) A communication appearing in a news story, commentary, or editorial distributed
28 through the facilities of any broadcasting station, unless such facilities are owned or controlled by
29 any political party, political committee, or candidate;

30 (B) A communication that constitutes a candidate debate or forum conducted pursuant to
31 regulations adopted by the board of elections or that solely promotes such a debate or forum and
32 is made by or on behalf of the person sponsoring the debate or forum;

33 (C) A communication made by any business entity to its members, owners, stockholders,
34 or employees;

1 (D) A communication over the internet, except for (I) Communications placed for a fee
2 on the website of another person, business entity, or political action committee; and (II) Websites
3 formed primarily for the purpose, or whose primary purpose is, to expressly advocate the election
4 or defeat of a clearly identified candidate or the passage or defeat of a referendum; or

5 (E) Any other communication exempted under such regulations as the board of elections
6 may promulgate (consistent with the requirements of this paragraph) to ensure the appropriate
7 implementation of this paragraph.

8 (18) "Covered transfer" means any transfer or payment of funds by any person, business
9 entity, or political action committee to another person, business entity, or political action
10 committee if the person, business entity, or political action committee making the transfer: (i)
11 Designates, requests, or suggests that the amounts be used for independent expenditures or
12 electioneering communications or making a transfer to another person for the purpose of making
13 or paying for such independent expenditures or electioneering communications; (ii) Made such
14 transfer or payment in response to a solicitation or other request for a transfer or payment for the
15 making of or paying for independent expenditures or electioneering communications or making a
16 transfer to another person for the purpose of making or paying for such independent expenditures
17 or electioneering communications; (iii) Engaged in discussions with the recipient of the transfer
18 or payment regarding independent expenditures or electioneering communications or making a
19 transfer to another person for the purpose of making or paying for such independent expenditures
20 or electioneering communications; or (iv) Made independent expenditures or electioneering
21 communications in an aggregate amount of five thousand dollars (\$5,000) or more during the
22 two-year (2) period ending on the date of the transfer or payment, or knew or had reason to know
23 that the person receiving the transfer or payment made such independent expenditures or
24 electioneering communications in such an aggregate amount during that two-year (2) period.

25 (A) Exceptions: The term "covered transfer" does not include:

26 (I) A transfer or payment made by a person, business entity, or political action committee
27 in the ordinary course of any trade or business conducted by the person, business entity, or
28 political action committee or in the form of investments made by the person, business entity, or
29 political action committee; or

30 (II) A transfer or payment made by a person, business entity, or political action
31 committee if the person, business entity, or political action committee making the transfer
32 prohibited, in writing, the use of such transfer or payment for independent expenditures,
33 electioneering communications, or covered transfers and the recipient of the transfer or payment
34 agreed to follow the prohibition and deposited the transfer or payment in an account that is

1 segregated from any account used to make independent expenditures, electioneering
2 communications, or covered transfers.

3 (19) For the purposes of chapter 25.3 of title 17, "donation" means all transfers of money,
4 credit or debit card transactions, on-line or electronic payment systems such as "pay pal", paid
5 personal services, or other thing of value to or by any person, business entity, or political action
6 committee. A loan shall be considered a donation of money until it is repaid.

7 (20) For the purposes of chapter 25.3 of title 17, "donor" means a person, business entity,
8 or political action committee that makes a donation.

9 (21) "Exempt nonprofit" means any organization described in § 501(c)(4) of the Internal
10 Revenue Code that spends an aggregate annual amount of no more than ten percent (10%) of its
11 annual expenses or no more than fifteen thousand dollars (\$15,000), whichever is less, on
12 independent expenditures, electioneering communications, and covered transfers as defined
13 herein and certifies the same to the board of elections seven (7) days before and after a primary
14 election and seven (7) days before and after a general or special election.

15 (22) For purposes of chapter 25.3 of title 17, "referendum" means the same as the
16 definition set forth in § 17-5-1.

17 **17-25-7. Contents of reports to be filed by treasurers of candidates and committees.**

18 (a) Each campaign treasurer of a candidate, each state and municipal committee of a
19 political party, and each political action committee shall keep accurate records and make a full
20 report, upon a form prescribed by the board of elections, of all contributions received, and
21 expenditures made, by it in excess of a total of ~~one hundred dollars (\$100)~~ twenty-five dollars
22 (\$25.00) from any one source within a calendar year, in furtherance of the nomination, election,
23 or defeat of any candidate or the approval or rejection of any question submitted to the voters, or
24 at any financial town meeting, financial town referendum, or other election at which amendments
25 to a city or town charter are proposed, during the period from the date of the last report, or in the
26 case of the initial report, beginning on the date of the appointment of the campaign treasurer for
27 state and municipal committees and political action committees and on the date a person becomes
28 a "candidate" as defined in § 17-25-3(2) for individual candidates. The report shall contain the
29 name, address, and place of employment of each person or source from whom the contributions
30 and expenditures in excess of ~~one hundred dollars (\$100) were~~ twenty-five dollars (\$25.00)
31 received or made and the amount contributed or expended by each person or source. The report
32 shall be filed with the board of elections on the dates designated in § 17-25-11. The campaign
33 treasurer of the candidate or committee reporting shall certify to the correctness of each report.
34 Notwithstanding any other provisions contained in this title, this subsection shall apply to any

1 person or entity advocating the approval or rejection of any question presented to voters at any
2 financial town meeting, financial town referendum, or other election at which amendments to a
3 city or town charter are proposed, which shall file reports of contributions or expenditures in
4 accordance with the filing schedule established by § 17-25-11 if the total of the money so
5 expended exceeds ~~one hundred dollars (\$100)~~ twenty-five dollars (\$25.00) in a calendar year. As
6 used in this subsection, the word "entity" means any political action committee, political party
7 committee, authorized campaign committee of a candidate or officer holder, corporation, whether
8 for profit, not-for-profit, or exempt nonprofit pursuant to 26 U.S.C. § 501(c)(3) of the Internal
9 Revenue Code, domestic corporation or foreign corporation, as defined in § 7-1.2-106, financial
10 institution, cooperative, association, receivership, partnership, committee, union, charity, trust,
11 holding company, firm, joint stock company, public utility, sole proprietorship, limited
12 partnership, or any other entity recognized by the laws of the United States and/or the state of
13 Rhode Island.

14 (b) Each state and municipal committee of a political party shall also file with the board
15 of elections, not later than March 1 of each year, an annual report setting forth in the aggregate all
16 contributions received and all expenditures made during the previous calendar year, whether or
17 not these expenditures were made, incurred, or authorized in furtherance of the election or defeat
18 of any candidate. The treasurer of the committee or organization reporting shall certify to the
19 correctness of each report.

20 (c) Any report filed pursuant to the provisions of this section shall include contributions
21 received from any "testimonial affair", as defined in § 17-25-3, held since the date of the most
22 recent report filed.

23 **17-25-10. Lawful methods of contributing to support of candidates -- Reporting --**
24 **Disposition of anonymous contributions.**

25 (a) No contribution shall be made or received, and no expenditures shall be directly made
26 or incurred, to support or defeat a candidate except through:

27 (1) The candidate or duly appointed campaign treasurer or deputy campaign treasurer of
28 the candidate;

29 (2) The duly appointed campaign treasurer or deputy campaign treasurer of a political
30 party committee;

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

33 (b) It shall be lawful for any person, not otherwise prohibited by law and not acting in
34 concert with any other person or group, to expend personally from that person's own funds a sum

1 that is not to be repaid to him or her for any purpose not prohibited by law to support or defeat a
2 candidate; provided, that any person making the expenditure shall be required to report all of his
3 or her expenditures and expenses, if the total of the money so expended exceeds ~~one hundred~~
4 ~~dollars (\$100)~~ twenty-five dollars (\$25.00) within a calendar year, to the board of elections within
5 seven (7) days of making the expenditure and to the campaign treasurer of the candidate or
6 political party committee on whose behalf the expenditure or contribution was made, or to his or
7 her deputy, within seven (7) days of making the expenditure. The treasurer or his or her deputy
8 shall cause the expenditures and expenses to be included in his or her reports to the board of
9 elections. Whether a person is "acting in concert with any other person or group" for the purposes
10 of this subsection shall be determined by application of the standards set forth in § 17-25-23.

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

14 **17-25-10.1. Political contributions -- Limitations.**

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

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

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

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

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

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

17 (f)(1) A contribution from an individual's dependent children, as defined in § 36-14-2,
18 shall be deemed a contribution from the individual for the purpose of determining whether
19 aggregate contributions exceed either the ~~one hundred dollars (\$100)~~ twenty-five dollars (\$25.00)
20 threshold for reporting purposes or the one thousand dollar (\$1,000) maximum for contributions
21 to a single candidate or political action committee within a calendar year.

22 (2) No dependent child shall contribute an amount that, when added to contributions
23 already made by that child's parent or legal guardian and by other dependent children of that
24 parent or legal guardian, exceed the one thousand dollar (\$1,000) maximum for contributions to a
25 single candidate or political action committee within a calendar year.

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

29 (h)(1) It shall be unlawful for any corporation, whether profit or non-profit, domestic
30 corporation or foreign corporation, as defined in § 7-1.2-106, or other business entity to make any
31 campaign contribution or expenditure, as defined in § 17-25-3, to or for any candidate, political
32 action committee, or political party committee, or for any candidate, political action committee,
33 or political party committee to accept any campaign contribution or expenditure from a
34 corporation or other business entity. Any contribution made in the personal name of any

1 employee of a corporation or other business entity, for which the employee received or will
2 receive reimbursement from the corporation or other business entity, shall be considered as a
3 contribution by the corporation or other business entity, in violation of this section.

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

8 (i) All contributions of funds shall be by check, money order, or credit card and may be
9 made over the internet, but in each case the source of the funds must be identified; provided, that
10 candidates, political action committees, and political party committees may accept contributions
11 in cash that do not exceed twenty-five dollars (\$25.00) in the aggregate from an individual within
12 a calendar year. The cash contribution must be delivered directly by the donor to the candidate,
13 the campaign treasurer, or deputy treasurer. The treasurer or deputy treasurer shall maintain a
14 record of the name and address of all persons making these cash contributions.

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

21 (k) For purposes of the limitations imposed by this section, all contributions made by a
22 person, either directly or indirectly, on behalf of a particular candidate, including contributions
23 that are in any way earmarked or otherwise directed through an intermediary or conduit to such
24 candidate, shall be treated as contributions from such person to such candidate. The intermediary
25 or conduit shall report the original source and the intended recipient of such contribution to the
26 board of elections and to the intended recipient, in accordance with regulations and reporting
27 requirements promulgated by the board of elections.

28 **17-25-11. Dates for filing of reports by treasurers of candidates or of committees.**

29 (a) During the period between the appointment of the campaign treasurer for state and
30 municipal committees and political action committees, or in the case of an individual the date on
31 which the individual becomes a "declared or undeclared candidate" as defined in § 17-25-3(2),
32 except when the ninety-day (90) reporting period ends less than forty (40) days prior to an
33 election in which case the ninety-day (90) report shall be included as part of the report required to
34 be filed on the twenty-eighth (28th) day next preceding the day of the primary, general, or special

1 election pursuant to subdivision (2) of this subsection, and the election, with respect to which
2 contributions are received or expenditures made by him or her in behalf of, or in opposition to, a
3 candidate, the campaign treasurer of a candidate, a political party committee, or a political action
4 committee shall file a report containing an account of contributions received, and expenditures
5 made, on behalf of, or in opposition to, a candidate:

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

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

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

16 (i) The name and address and place of employment of each person from whom
17 contributions in excess of a total of ~~one hundred dollars (\$100)~~ twenty-five dollars (\$25.00)
18 within a calendar year were received;

19 (ii) The amount contributed by each person;

20 (iii) The name and address of each person to whom expenditures in excess of ~~one~~
21 ~~hundred dollars (\$100)~~ twenty-five dollars (\$25.00) were made; and

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

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

34 (c)(1) Once the campaign treasurer certifies that the campaign fund has completed its

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

12 (2) In addition to the reports required pursuant to this section, a candidate or office holder
13 shall also file with the board of elections a paper copy of the account statement from the office
14 holder's campaign account, which account statement shall be the next account statement issued by
15 their financial institution after the filing of the fourth quarterly campaign expense report. The
16 account statement shall be submitted to the board within thirty (30) days of its receipt by the
17 candidate, officeholder, treasurer, or deputy treasurer. The account statement shall not be deemed
18 a public record pursuant to the provisions of chapter 2 of title 38. The board of elections, its
19 agents, and employees shall not publish, deliver, copy, or disclose, to any person or entity any
20 account statement or information contained therein for any candidate, former candidate,
21 officeholder, party, or political action committee. Provided, as to state and municipal political
22 parties, the requirements of this subsection (c)(2) shall apply to the annual report required
23 pursuant to § 17-25-7.

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

28 (2) However, even though the aggregate amount expended on behalf of the candidacy
29 does not exceed one thousand dollars (\$1,000), reports must be made listing the source and
30 amounts of all contributions in excess of a total of ~~one hundred dollars (\$100)~~ twenty-five dollars
31 (\$25.00) from any one source within a calendar year. Even though the aggregate amount
32 expended on behalf of the candidacy does not exceed one thousand dollars (\$1,000) and no
33 contribution from any one source within a calendar year exceeds ~~one hundred dollars (\$100)~~
34 twenty-five dollars (\$25.00), the report shall state the aggregate amount of all contributions

1 received. In addition, the report shall state the amount of aggregate contributions that were from
2 individuals, the amount from political action committees, and the amount from political party
3 committees.

4 (e) On or before the first date for filing contribution and expenditure reports, the
5 campaign treasurer may file a sworn statement that the treasurer will accept no contributions nor
6 make aggregate expenditures in excess of the minimum amounts for which a report is required by
7 this chapter. Thereafter, the campaign treasurer shall be excused from filing all the reports for that
8 campaign, other than the final report due on the twenty-eighth (28th) day following the election.

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)~~ twenty-five dollars (\$25.00) within a calendar year from
13 any one source and/or made expenditures in excess of one thousand dollars (\$1,000) within a
14 calendar year; however, the time to file under this subsection shall be no later than the last day of
15 the month following the ninety-day (90) period, except when the last day of the month filing
16 deadline following the ninety-day (90) reporting period occurs less than twenty-eight (28) days
17 before an election, in which case the report shall be filed pursuant to the provisions of
18 subdivisions (a)(1) and (2) of this section. Provided, however, if the last day of the month falls on
19 a weekend or a holiday, the report shall be 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). Notwithstanding any of the provisions of this section, the board of elections shall have
27 the authority to waive late filing fees for good cause shown.

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

1 **17-25-15. Political action committee -- Notice of formation.**

2 (a) No political action committee shall accept any contributions or make any expenditures
3 prior to filing notice of its organization with the board of elections. The notice shall contain:

4 (1) The name or names of any candidates whose election or defeat the committee intends
5 to advocate;

6 (2) The names and addresses of all officers of the committee;

7 (3) The mailing address or addresses of the committee;

8 (4) The goals and purposes of the political action committee; and

9 (5) A statement indicating whether the membership and/or contributor base of the
10 political action committee is derived primarily from the employees of one corporation or business
11 entity or from one business or professional group or association or labor union and, if so, the
12 identity of that employer or group or association or union.

13 (b) No committee shall advocate the election or defeat of any candidate other than that set
14 forth in its notice of organization or amendment to the notice. A political action committee may
15 amend its notice of organization at any time. The board of elections shall prescribe forms in
16 compliance with this section.

17 (c) In addition to all other reporting requirements, each political action committee shall
18 include in each report required to be filed by this chapter:

19 (1) The source and amount of all funds received by the committee in excess of ~~one~~
20 ~~hundred dollars (\$100)~~ twenty-five dollars (\$25.00) in the aggregate from a single source in a
21 calendar year; provided, that funds received through a regular payroll check-off plan in which the
22 aggregate contribution from each individual does not exceed ~~one hundred dollars (\$100)~~ twenty-
23 five dollars (\$25.00) per calendar year shall report the name and address of each entity
24 transferring the funds to the committee, the aggregate amount received from the payroll check-
25 off, and the total number of contributors; and provided also, that funds received by the political
26 action committee of a labor organization from the members of the labor organization in amounts
27 not exceeding twenty-five dollars (\$25.00) per calendar year from a single source shall be
28 reported by the aggregate amount received and the total number of members of the labor
29 organization contributing;

30 (2) The name and address of each person to whom expenditures were made, and the
31 amount and purpose of each expenditure; and

32 (3) The name and address of each elected official and candidate for elected office to
33 whom a contribution was made, and the amount of the contribution.

34 (d) The board of elections may reject the use by a political action committee of a name

1 which is misleading and/or does not accurately identify the membership or contributor base of the
2 committee.

3 (e) If a political action committee derives more than fifty percent (50%) of its funds from
4 the employees, officers, directors, investors, and/or stockholders of a corporation or other
5 business entity, the name of the political action committee must incorporate the name of that
6 corporation or business entity. If a political action committee derives more than fifty percent
7 (50%) of its funds from persons affiliated with one industry, profession, trade organization, or
8 association or labor union, the name of the political action committee must identify that industry,
9 profession, trade organization or association, or labor union.

10 SECTION 2. Section 17-25.2-5 of the General Laws in Chapter 17-25.2 entitled "Ballot
11 Question Advocacy and Reporting" is hereby amended to read as follows:

12 **17-25.2-5. Reporting by ballot question advocates.**

13 (a) Every ballot-question advocate shall file periodic reports signed by an individual
14 responsible for its contents on a form prescribed by the board of elections setting forth the name
15 and address of the ballot-question advocate, including any other name under which the ballot-
16 question advocate conducts ballot-question advocacy, the name and address of the person filing
17 the report; and

18 (1) The name, address and, if applicable, the place of employment of each person making
19 a contribution or contributions that in the aggregate exceed one thousand-eight hundred dollars
20 (\$1,800) per election cycle to a ballot-question advocate for purposes of ballot question advocacy
21 and the amount contributed by each person or source; provided, however, this information shall
22 be reported only if:

23 (i) The contributions received by a ballot-question advocate are solicited in any way,
24 including by written, electronic, or verbal means, by the ballot-question advocate specifically for
25 ballot-question advocacy; or

26 (ii) The contributions were specifically designated by the contributor for ballot-question
27 advocacy; or

28 (iii) The ballot question advocate knew or had reason to know that the contributor
29 intended or expected that the majority of the contributions be used for ballot question advocacy;
30 and

31 (2) The name and address of every person or entity receiving an expenditure for ballot-
32 question advocacy, which in the aggregate exceeds ~~one hundred dollars (\$100)~~ twenty-five
33 dollars (\$25.00), the amount of each expenditure for ballot-question advocacy, and the total
34 amount of expenditures for ballot-question advocacy made by the ballot-question advocate as of

1 the last report date; and

2 (3) A statement of the position of the ballot-question advocate in support of or opposition
3 to the ballot-question; and

4 (4) The names and addresses of all identified members or endorsing organizations,
5 corporations, and/or associations that authorize the ballot-question advocate to represent to the
6 public that they support the positions of the ballot-question advocate; and

7 (5) The name and address of at least one of the officers of the ballot question advocate, if
8 any, or one individual that is responsible for the ballot question advocate's compliance with the
9 provisions of this chapter.

10 (b) The first report must be filed by a ballot-question advocate for the period beginning
11 when the ballot-question advocate expends a cumulative total that exceeds one thousand dollars
12 (\$1,000) for ballot-question advocacy and ending the last day of the first full month following
13 such date, to be filed with the board of elections due no later than seven (7) days after the end of
14 the month. A ballot-question advocate must thereafter file calendar month reports with the board
15 of elections due no later than seven (7) days after the end of the month; provided, that in lieu of
16 filing for the last full calendar month preceding the ballot question election, a report must be filed
17 due no later than seven (7) days before the election.

18 (c) A ballot-question advocate must file a final report of contributions received and
19 expenditures made for ballot-question advocacy no later than thirty (30) days after the election for
20 the ballot question is held subject to the provisions of § 17-25.2-6. All reports filed with the board
21 of elections must be received no later than 4:00 p.m. on the due date.

22 (d)(1) The board of elections may, for good cause shown and upon receipt of a written or
23 electronic request, grant a seven (7) day extension for filing a report; provided, however, that the
24 request must be received no later than the date and time upon which the report is due to be filed,
25 and further if the election for the ballot question is to be held less than seven (7) days from the
26 report due date and time, the report must be filed prior to the election date.

27 (2) Any ballot-question advocate required to file reports with the board of elections
28 pursuant to this section and who has not filed the report by the required date and time, unless
29 granted an extension by the board, shall be fined twenty-five dollars (\$25.00).

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

1 elections. Notwithstanding any of the provisions of this section, the board of election shall have
2 the authority to waive late filing fees for good cause shown.

3 SECTION 3. This act shall take effect on January 1, 2020.

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

1 This act would reduce the minimum reporting campaign contribution amount that needs
2 to be reported to the board of elections from over one hundred dollars (\$100) to twenty-five
3 dollars (\$25.00) for the purposes of the Rhode Island Campaign Contributions and Expenditures
4 Reporting and the Ballot Question Advocacy and Reporting Acts.

5 This act would take effect on January 1, 2020.

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