

Regular Session, 2014

HOUSE BILL NO. 265

BY REPRESENTATIVE MILLER

CAMPAIGN FINANCE: Prohibits the expenditure of campaign funds on certain specified items

1 AN ACT

2 To enact R.S. 18:1505.2(I)(6), relative to the use of campaign funds; to prohibit use of  
3 campaign funds for certain purposes; and to provide for related matters.

4 Be it enacted by the Legislature of Louisiana:

5 Section 1. R.S. 18:1505.2(I)(6) is hereby enacted to read as follows:

6 §1505.2. Contributions; expenditures; certain prohibitions and limitations

7 \* \* \*

8 I.

9 \* \* \*

10 (6) No candidate, political committee, or other person required to file reports  
11 pursuant to this Chapter, shall use a contribution, loan, or transfer of funds received  
12 by such candidate, committee, or person to purchase immovable property or a motor  
13 vehicle. For purposes of this Paragraph, "motor vehicle" shall have the same  
14 meaning as provided in R.S. 32:781.

15 \* \* \*

## DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Miller

HB No. 265

**Abstract:** Prohibits the use of campaign funds to purchase immovable property or a motor vehicle.

Present law (Campaign Finance Disclosure Act (CFDA), R.S. 18:1505.2(I)) permits a candidate or a political committee to expend campaign contributions for any lawful purpose, but prohibits the use, loan, or pledging of such funds by any person for personal use unrelated to a political campaign, the holding of a public office or party position, or, in the case of a political committee other than a candidate's principal campaign committee or subsidiary committee, the administrative costs or operating expenses of the political committee. Provides that excess campaign funds may be returned to contributors on a pro rata basis; given as a charitable contribution as provided in federal law (26 U.S.C. 170(c)); given to a charitable organization as defined in federal law (26 U.S.C. 501(c)(3)); expended in support of or in opposition to a proposition, political party, or candidacy of any person; or maintained in a segregated fund for use in future political campaigns or activity related to preparing for future candidacy to elective office. Present law prohibits campaign funds from being used to pay a fine, fee, or penalty imposed pursuant to the Code of Governmental Ethics and prohibits a candidate from using campaign funds to make any payment or expenditure to an immediate family member, with specified exceptions. Present law does not apply to campaign funds received prior to July 15, 1988.

Proposed law prohibits a candidate, political committee, or other person required to file reports pursuant to the CFDA from using a contribution, loan, or transfer of funds received by such candidate or committee or person to purchase immovable property or a motor vehicle. Defines "motor vehicle" the same as in present law (R.S. 32:781).

Present law (R.S. 18:1505.2(J)) provides that a candidate, treasurer, or chairman of a political committee who violates any provision of present law shall be assessed a penalty of not more than \$5,000 or the amount of the violation, whichever is greater, except that the penalty for a knowing and willful violation shall not be more than \$10,000 or 200% of the violation, whichever is greater. Defines "knowing and willful" as conduct which could have been avoided through the exercise of due diligence. Makes certain other civil penalties provided for in CFDA (R.S. 18:1505.5) inapplicable to violations of present law. Provides for enforcement of present law as otherwise provided by the CFDA. Present law requires the supervisory committee (ethics board) to institute civil proceedings to collect the civil penalties and provides procedures. Present law (R.S. 18:1505.6(C)) provides that any candidate, chairman of a political committee, treasurer, person required to file reports under CFDA, or any other person who knowingly, willfully, and fraudulently violates any provision of CFDA shall, upon conviction, be sentenced not in excess of six months in the parish jail or pay a fine of not more than \$500, or both.

Violations of proposed law are subject to the penalty and enforcement provisions of present law (R.S. 18:1505.2(J) and 1505.6(C)).

(Adds R.S. 18:1505.2(I)(6))