Regular Session, 2014

HOUSE BILL NO. 1079

BY REPRESENTATIVES TIM BURNS AND MILLER

CAMPAIGN FINANCE: Provides relative to the reporting of expenditures of campaign funds

| 1 | AN ACT |
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| 2 | To amend and reenact R.S. 18:1491.7(B)(13) and 1495.5(B)(12), relative to expenditures of |
| 3 | campaign funds; to require an explanation of the purpose of each expenditure; and |
| 4 | to provide for related matters. |
| 5 | Be it enacted by the Legislature of Louisiana: |
| 6 | Section 1. R.S. 18:1491.7(B)(13) and 1495.5(B)(12) are hereby amended and |
| 7 | reenacted to read as follows: |
| 8 | §1491.7. Reports; contents |
| 9 | * * * |
| 10 | B. Each report required to be in conformity with this Section shall contain |
| 11 | the following information: |
| 12 | * * * |
| 13 | (13) The full name and address of each person to whom an expenditure has |
| 14 | been made by the committee during the reporting period. The amount of each |
| 15 | expenditure, a detailed explanation of the purpose of each expenditure, containing |
| 16 | sufficient information to relate the expenditure to an acceptable use as provided in |
| 17 | R.S. 18:1505.2(I), and the date of each such expenditure, and the name and address |
| 18 | of and office sought by candidates on whose behalf each such expenditure was made |
| 19 | shall be reported. A brief description of an in-kind expenditure shall be given, as |
| 20 | well as the valuation made by the chairman and the campaign treasurer and the |

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

| 1 | date(s) of the expenditure. When multiple expenditures have been made to the same |
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| 2 | person during the reporting period, the aggregate amount of such expenditures, other |
| 3 | than in-kind expenditures, and the aggregate valuation of in-kind expenditures shall |
| 4 | be reported for each such person. The aggregate of all expenditures made during the |
| 5 | reporting period, other than in-kind expenditures, and the aggregate valuation of all |
| 6 | in-kind expenditures shall also be reported. The aggregate amount expended for |
| 7 | each candidate shall also be reported. |
| 8 | * * * |
| 9 | §1495.5. Reports; contents |
| 10 | * * * |
| 11 | B. Each report required to be in conformity with this Section shall contain |
| 12 | the following information: |
| 13 | * * * |
| 14 | (12) The full name and address of each person to whom an expenditure has |
| 15 | been made by the candidate during the reporting period. The amount of each |
| 16 | expenditure, a detailed explanation of the purpose of each expenditure, containing |
| 17 | sufficient information to relate the expenditure to an acceptable use as provided in |
| 18 | <u>R.S. 18:1505.2(I)</u> , and the date of each such expenditure shall be reported. A brief |
| 19 | description of an in-kind expenditure shall be given, as well as the valuation made |
| 20 | by the candidate and the campaign treasurer and the date(s) of the expenditure. |
| 21 | When multiple expenditures have been made to the same person, during the |
| 22 | reporting period, the aggregate amount of such expenditures, other than in-kind |
| 23 | expenditures, and the aggregate valuation of in-kind expenditures shall be reported |
| 24 | for each such person. The aggregate of all expenditures made during the reporting |
| 25 | period, other than in-kind expenditures, and the aggregate valuation of all in-kind |
| 26 | expenditures shall also be reported. The aggregate amount expended for each |
| 27 | candidate shall also be reported. |
| 28 | * * * |

29 Section 2. This Act shall become effective on January 1, 2015.

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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)]

Tim Burns

HB No. 1079

Abstract: Requires the report of each campaign expenditure to include a detailed explanation of the purpose of each expenditure containing sufficient information to relate the expenditure to an acceptable use.

Present law (Campaign Finance Disclosure Law) requires political committees, candidates, and other persons to file reports disclosing contributions, expenditures, receipts, disbursements, and other specified information. Present law (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.

<u>Present law</u> (R.S. 18:1491.7(B)(13) and 1495.5(B)(12)) relative to the disclosure of expenditures, requires that the amount, purpose, and date of each such expenditure be reported and requires that political committees include the name and address of and office sought by candidates on whose behalf each such expenditure was made.

<u>Proposed law</u> further requires that a detailed explanation of the purpose of each expenditure, containing sufficient information to relate the expenditure to an acceptable use as provided in <u>present law</u> (R.S. 18:1505.2(I)), be reported.

Effective Jan. 1, 2015.

(Amends R.S. 18:1491.7(B)(13) and 1495.5(B)(12))