

1 ~~-(2) "Candidate" means any individual who undertakes any action, whether preliminary or~~
2 ~~final, which is necessary under the law to qualify for nomination for election or election to public~~
3 ~~office, and/or any individual who receives a contribution or makes an expenditure, or gives his or~~
4 ~~her consent for any other person to receive a contribution or make an expenditure, with a view to~~
5 ~~bringing about his or her nomination or election to any public office, whether or not the specific~~
6 ~~public office for which he or she will seek nomination or election is known at the time the~~
7 ~~contribution is received or the expenditure is made and whether or not he or she has announced~~
8 ~~his or her candidacy or filed a declaration of candidacy at that time.~~

9 ~~-(3) "Contributions" and "expenditures" include all transfers of money, credit or debit~~
10 ~~card transactions on line or electronic payment systems such as "pay pal," paid personal services,~~
11 ~~or 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 ~~-(4) "Election" means any primary, general, or special election or town meeting for any~~
15 ~~public office of the state, municipality, or district or for the determination of any question~~
16 ~~submitted to the voters of the state, municipality, or district.~~

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

22 ~~-(6) "In Kind Contributions" means the monetary value of other things of value or paid~~
23 ~~personal services donated to, or benefiting, any person required to file reports with the board of~~
24 ~~elections.~~

25 ~~-(7) "Other thing of value" means any item of tangible real or personal property of a fair~~
26 ~~market value in excess of one hundred dollars (\$100).~~

27 ~~-(8) "Paid personal services" means personal services of every kind and nature, the cost or~~
28 ~~consideration for which is paid or provided by someone other than the committee or candidate for~~
29 ~~whom the services are rendered, but shall not include personal services provided without~~
30 ~~compensation by persons volunteering their time.~~

31 ~~-(9) "Person" means an individual, partnership, committee, association, corporation, and~~
32 ~~any other organization.~~

33 ~~-(10) "Political action committee" means any group of two (2) or more persons that~~
34 ~~accepts any contributions to be used for advocating the election or defeat of any candidate or~~

1 candidates. Only political action committees that have accepted contributions from fifteen (15) or
2 more persons in amounts of ten dollars (\$10.00) or more within an election cycle shall be
3 permitted to make contributions, and those committees must make contributions to at least five
4 (5) candidates for state or local office within an election cycle.

5 ~~-(11) "Public office" means any state, municipal, school, or district office or other~~
6 ~~position that is filled by popular election, except political party offices. "Political party offices"~~
7 ~~means any state, city, town, ward, or representative or senatorial district committee office of a~~
8 ~~political party or delegate to a political party convention, or any similar office.~~

9 ~~-(12) "State" means state of Rhode Island.~~

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

16 ~~**17-25-4. Applicability.** --- The provisions of this chapter shall apply in any primary,~~
17 ~~general, or special election or town meeting for any public office of the state, municipality, or~~
18 ~~district or for the determination of any question submitted to the voters of the state, municipality,~~
19 ~~or district.~~

20 ~~**17-25-5. Duties and powers of the board of elections.** --- (a) The board of elections is~~
21 ~~authorized to perform any duties that are necessary to implement the provisions of this chapter.~~
22 ~~Without limiting the generality of this provision, the board is authorized and empowered to:~~

23 ~~-(1) Develop forms for the making of the required reports to be filed with the board of~~
24 ~~elections, which form shall contain a notice setting forth the times and dates when reports are~~
25 ~~required to be filed;~~

26 ~~-(2) Prepare and publish a manual for all candidates, political party committees, political~~
27 ~~action committees and ballot questions advocates prescribing the requirements of the law,~~
28 ~~including uniform methods of bookkeeping and reporting and requirements as to the length of~~
29 ~~time that any person required to keep any records pursuant to the provisions of this chapter shall~~
30 ~~retain these records, or any class or category of records, or any other documents;~~

31 ~~-(3) Adopt rules and regulations to carry out the purposes of this chapter;~~

32 ~~-(4) (i) Prepare and make available for public inspection, through the office of the board~~
33 ~~of elections, summaries of all reports grouped according to candidates and political parties;~~

34 ~~-(ii) Make all campaign finance reports available electronically on the board of election's~~

1 ~~website no later than two (2) business days after the reports are received by the board of~~
2 ~~elections;~~

3 ~~(iii) Take any steps that may be necessary or appropriate to make all campaign finance~~
4 ~~reports available in an electronic searchable format on the board of election's website no later~~
5 ~~than one business day after the reports are received by the board of elections commencing with~~
6 ~~the first quarterly reporting period in 2010.~~

7 ~~(5) Prepare and publish, prior to May 1 or as soon as practicable thereafter of each year,~~
8 ~~an annual report to the general assembly;~~

9 ~~(6) Ascertain whether candidates or political party committees, political action~~
10 ~~committees or ballot questions advocates, have failed to file reports or have filed defective~~
11 ~~reports; and may for good cause shown extend the dates upon which reports are required to be~~
12 ~~filed;~~

13 ~~(7) (i) Conduct confidential investigations and/or closed hearings in accordance with this~~
14 ~~title relative to alleged violations of this chapter either on its own initiative or upon receipt of a~~
15 ~~verified written complaint, which complaint shall, under pain and penalty of perjury, be based~~
16 ~~upon actual knowledge and not merely on information and belief. Upon completion of its~~
17 ~~investigation and/or hearings, if the board has reason to believe that a violation of this chapter has~~
18 ~~occurred or that a complainant has willfully sworn or affirmed falsely, the chairperson of the~~
19 ~~board of elections is authorized to and shall issue to the person found to be in violation of this~~
20 ~~chapter a summons pursuant to section 12-7-11 to appear before the division of the district court~~
21 ~~where the person resides and shall be prosecuted by the attorney general. Any action taken by the~~
22 ~~board as a result of a written verified complaint shall, whenever possible, be completed no later~~
23 ~~than five (5) business days after its receipt, and if no violation is found to exist, all records and~~
24 ~~papers shall be kept confidential unless further legal proceedings are instituted.~~

25 ~~(ii) The confidentiality of an audit, investigation, hearing, and/or findings may be waived~~
26 ~~in writing only by the person or persons complained of or audited. However, once an audit is~~
27 ~~complete and presented to the board, the audit will be a matter of public record.~~

28 ~~(8) Conduct compliance reviews and audits of campaign accounts as necessary, and in a~~
29 ~~manner consistent with the provisions of this chapter.~~

30 ~~(b) The board of elections shall take any steps that may be necessary or appropriate to~~
31 ~~furnish timely and adequate information, in appropriate printed summaries and in any other form~~
32 ~~that it may see fit, to every candidate or prospective candidate for public office who becomes or is~~
33 ~~likely to become subject to the provisions of this chapter, and to every treasurer duly designated~~
34 ~~under the provisions of this chapter, informing them of their actual or prospective obligations and~~

1 ~~responsibilities under this chapter.~~

2 ~~-(c) (1) The board of elections is authorized, upon written request, to render written~~
3 ~~advisory opinions as to whether a given set of facts and circumstances set forth in the request~~
4 ~~would constitute a violation of any of the provisions of this chapter, or whether a given set of~~
5 ~~facts and circumstances set forth in the request would render any person subject to any of the~~
6 ~~reporting requirements of this chapter; provided, that the requirement for a written opinion may~~
7 ~~be voluntarily waived by the candidate or committee.~~

8 ~~-(2) Unless an extension of time is consented to by any person who submits a written~~
9 ~~request for an advisory opinion, the board of elections shall, whenever possible, render its written~~
10 ~~advisory opinion within five (5) business days of receipt of the request.~~

11 ~~-(d) (1) For each quarterly report required to be filed, the board shall send a postcard by~~
12 ~~regular mail to each person and entity required to file a report, which will notify the person or~~
13 ~~entity that a report required to be filed is due within fourteen (14) days.~~

14 ~~-(2) The failure to receive this notice shall not absolve the person or entity of the~~
15 ~~reporting requirements contained in this chapter.~~

16 ~~**17-25-5.1. Manual of legal requirements.** -- The board of elections shall prepare and~~
17 ~~publish a manual prescribing the requirements of the law, and the secretary of state shall have~~
18 ~~copies of the manual available for individuals filing candidacy papers.~~

19 ~~**17-25-6. [Repealed.]**--~~

20 ~~**17-25-7. Contents of reports to be filed by treasurers of candidates and committees.**~~

21 ~~--(a) Each campaign treasurer of a candidate, each state and municipal committee of a political~~
22 ~~party, and each political action committee shall keep accurate records and make a full report,~~
23 ~~upon a form prescribed by the board of elections, of all contributions received by it in excess of a~~
24 ~~total of one hundred dollars (\$100) from any one source within a calendar year, in furtherance of~~
25 ~~the nomination, election, or defeat of any candidate or the approval or rejection of any question~~
26 ~~submitted to the voters during the period from the date of the last report, or in the case of the~~
27 ~~initial report, beginning on the date of the appointment of the campaign treasurer for state and~~
28 ~~municipal committees and political action committees and on the date a person becomes a~~
29 ~~"candidate", as defined in section 17-25-3(2) for individual candidates. The report shall contain~~
30 ~~the name and address and place of employment of each person or source from whom the~~
31 ~~contributions in excess of one hundred dollars (\$100) were received, and the amount contributed~~
32 ~~by each person or source. The report shall be filed with the board of elections on the dates~~
33 ~~designated in section 17-25-11. The campaign treasurer of the candidate, or committee reporting,~~
34 ~~shall certify to the correctness of each report.~~

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

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

10 ~~**17-25-7.1. [Repealed.]**~~

11 ~~**17-25-7.2. Personal use of campaign funds prohibited.**~~ (a) ~~The personal use by any~~
12 ~~elected public office holder or by any candidate for public office, as defined in section 17-25-3, of~~
13 ~~campaign funds contributed after April 29, 1992, is prohibited. For the purposes of this section,~~
14 ~~"personal use" is defined as any use other than expenditures related to gaining or holding public~~
15 ~~office and for which the candidate for public office or elected public official would be required to~~
16 ~~treat the amount of the expenditure as gross income under section 61 of the Internal Revenue~~
17 ~~Code of 1986, 26 U.S.C. section 61, or any subsequent corresponding Internal Revenue Code of~~
18 ~~the United States, as from time to time amended.~~

19 ~~(b) Expenditures that are specifically prohibited under this chapter include:~~

20 ~~(1) Any residential or household items, supplies or expenditures, including mortgage,~~
21 ~~rent or utility payments for any part of any personal residence of a candidate or officeholder or a~~
22 ~~member of the candidate's or officeholder's family;~~

23 ~~(2) Mortgage, rent, or utility payments for any part of any non-residential property that is~~
24 ~~owned by a candidate or officeholder or a member of a candidate's or officeholder's family and~~
25 ~~used for campaign purposes, to the extent the payments exceed the fair market value of the~~
26 ~~property usage;~~

27 ~~(3) Funeral, cremation, or burial expenses, including any expenses related to deaths~~
28 ~~within a candidate's or officeholder's family;~~

29 ~~(4) Clothing, other than items of de minimis value that are used in the campaign;~~

30 ~~(5) Tuition payments;~~

31 ~~(6) Dues, fees, or gratuities at a country club, health club, recreational facility or other~~
32 ~~nonpolitical organization, unless they are part of a specific fundraising event that takes place on~~
33 ~~the organization's premises;~~

34 ~~(7) Salary payments to a member of a candidate's family, unless the family member is~~

1 ~~providing bona fide services to the campaign. If a family member provides bona fide services to a~~
2 ~~campaign, any salary payments in excess of the fair market value of the services provided is~~
3 ~~personal use;~~

4 ~~-(8) Admission to a sporting event, concert, theater, or other form of entertainment, unless~~
5 ~~part of a specific campaign or officeholder activity;~~

6 ~~-(9) Payment of any fines, fees, or penalties assessed pursuant to this chapter.~~

7 ~~-(c) Any expense that results from campaign or officeholder activity is permitted use of~~
8 ~~campaign funds. Such expenditures may include:~~

9 ~~-(1) The defrayal of ordinary and necessary expenses of a candidate or officeholder;~~

10 ~~-(2) Office expenses and equipment, provided the expenditures and the use of the~~
11 ~~equipment can be directly attributable to the campaign or the officeholder's duties and~~
12 ~~responsibilities;~~

13 ~~-(3) Donations to charitable organizations, provided the candidate or officeholder does~~
14 ~~not personally benefit from the donation or receive compensation from the recipient organization;~~

15 ~~-(4) Travel expenses for an officeholder, provided that the travel is undertaken as an~~
16 ~~ordinary and necessary expense of seeking, holding, or maintaining public office, or seeking,~~
17 ~~holding, or maintaining a position within the legislature or other publicly elected body. If a~~
18 ~~candidate or officeholder uses campaign funds to pay expenses associated with travel that~~
19 ~~involves both personal activities and campaign or officeholder activities, the incremental~~
20 ~~expenses that result from the personal activities are personal use, unless the person(s) benefiting~~
21 ~~from this use reimburse(s) the campaign account within thirty (30) days for the amount of the~~
22 ~~incremental expenses;~~

23 ~~-(5) Gifts of nominal value and donations of a nominal amount made on a special~~
24 ~~occasion such as a holiday, graduation, marriage, retirement or death, unless made to a member~~
25 ~~of the candidate's or officeholder's family;~~

26 ~~-(6) Meal expenses which are incurred as part of a campaign activity or as a part of a~~
27 ~~function that is related to the candidate's or officeholder's responsibilities, including meals~~
28 ~~between and among candidates and/or officeholders that are incurred as an ordinary and~~
29 ~~necessary expense of seeking, holding, or maintaining public office, or seeking holding, or~~
30 ~~maintaining a position within the legislature or other publicly elected body;~~

31 ~~-(7) Food and beverages which are purchased as part of a campaign or officeholder~~
32 ~~activity.~~

33 ~~-(d) Any campaign funds not used to pay for the expenses of gaining or holding public~~
34 ~~office may:~~

- 1 ~~(1) Be maintained in a campaign account(s);~~
- 2 ~~(2) Be donated to a candidate for public office, to a political organization, or to a~~
3 ~~political action committee, subject to the limitation on contributions in section 17-25-10.1;~~
- 4 ~~(3) Be transferred in whole or in part into a newly established political action committee~~
5 ~~or ballot question advocate;~~
- 6 ~~(4) Be donated to a tax exempt charitable organization as that term is used in section~~
7 ~~501(c)(3) of the Internal Revenue Code of 1986, 26 U.S.C. section 501, or any subsequent~~
8 ~~corresponding internal revenue code of the United States as from time to time amended;~~
- 9 ~~(5) Be donated to the state of Rhode Island; or~~
- 10 ~~(6) Be returned to the donor.~~

11 ~~**17-25-7.3. Testimonial proceeds intended for personal use prohibited.** --- It is~~
12 ~~unlawful for any candidate for public office, as defined in section 17-25-3, or any elected public~~
13 ~~office holder to accept the proceeds of any testimonial, as defined in section 17-25-3, for personal~~
14 ~~use, as defined in section 17-25-7.2, which were received after April 29, 1992. Nothing in this~~
15 ~~section shall be construed to prohibit the use of testimonials for the lawful purpose of raising~~
16 ~~campaign funds.~~

17 ~~**17-25-7.4. Limitations on repayment of loans.** --- Campaign contributions received~~
18 ~~pursuant to this chapter shall not be used to repay cumulative personal loans that were made on or~~
19 ~~after April 29, 1992, to a campaign by a candidate in excess of two hundred thousand dollars~~
20 ~~(\$200,000) during an election cycle.~~

21 ~~**17-25-7.5. Electronic reporting --- Declaration of purpose.** --- The State of Rhode Island~~
22 ~~is committed to facilitating public access to reports of campaign contributions and expenditures~~
23 ~~by candidates for public office and other entities required to file campaign finance reports.~~

24 ~~**17-25-7.6. Electronic reporting.** --- (a) The filing of campaign finance reports to the~~
25 ~~board of elections shall commence in accordance with the following schedule:~~

26 ~~(1) Candidates for general office shall commence filing campaign finance reports~~
27 ~~electronically beginning with the report required to be filed for the first quarterly reporting period~~
28 ~~in 2002.~~

29 ~~(2) All other candidates for public office and political parties, other than state political~~
30 ~~parties, who raise or expend more than ten thousand dollars (\$10,000) annually, or whose report~~
31 ~~shows a balance of twenty five thousand dollars (\$25,000) or more in their campaign fund shall~~
32 ~~commence filing campaign finance reports electronically beginning with the second quarterly~~
33 ~~reporting period in 2008; provided, that all candidates may commence filing campaign finance~~
34 ~~reports electronically beginning with the first report required to be filed for the first quarterly~~

1 ~~reporting period in 2002.~~

2 ~~-(3) State political parties, political action committees and vendors required to file~~
3 ~~campaign finance reports and who raise or expend more than ten thousand dollars (\$10,000)~~
4 ~~annually, or whose report shows a balance of twenty five thousand dollars (\$25,000) or more in~~
5 ~~their campaign fund shall do so commencing with the first report required to be filed for the first~~
6 ~~quarterly reporting period in 2002.~~

7 ~~-(b) The board of elections shall have the authority to adopt regulations to implement and~~
8 ~~administer the provisions of this section.~~

9 ~~-(c) Notwithstanding anything else in this section and subject to the implementation of an~~
10 ~~electronic reporting and tracking system, the board of elections shall have the authority to delay~~
11 ~~implementation of the requirements of this section by up to ninety (90) days.~~

12 ~~**17-25-8. Appointment of campaign treasurer by candidate --- Filings. ---** (a) Each~~
13 ~~candidate in an election shall file a "notice of organization" with the board of elections and~~
14 ~~appoint one campaign treasurer before receiving any contribution or expending any money in~~
15 ~~furtherance or aid of the candidate's candidacy. The "notice of organization" shall include the~~
16 ~~name and address of the candidate, the campaign treasurer and the committee being established.~~

17 ~~-(b) A candidate may appoint deputy campaign treasurers as required. The candidate shall~~
18 ~~file the names and addresses of deputy campaign treasurers with the board of elections.~~

19 ~~-(c) A candidate may remove a campaign treasurer or deputy campaign treasurer. In the~~
20 ~~case of the death, resignation, or removal of a campaign treasurer, the candidate shall appoint a~~
21 ~~successor as soon as practicable and shall file his or her name and address with the board of~~
22 ~~elections within ten (10) days. A candidate may serve as his or her own campaign treasurer, and~~
23 ~~upon failure to designate a treasurer, the candidate shall be designated his or her own treasurer by~~
24 ~~the board of elections.~~

25 ~~**17-25-8.1. Appointment of treasurer by political action committee --- Filings. ---** (a)~~
26 ~~Each political action committee shall appoint one campaign treasurer before receiving any~~
27 ~~contribution or expending any money for the purpose of advocating the election or defeat of any~~
28 ~~candidate.~~

29 ~~-(b) A campaign treasurer of a political action committee may appoint deputy campaign~~
30 ~~treasurers as may be required. The committees shall file the names and addresses of the deputy~~
31 ~~campaign treasurers with the board of elections.~~

32 ~~-(c) Any political action committee may remove at any time its campaign treasurer. In the~~
33 ~~case of the death, resignation, or removal of its campaign treasurer, any committee shall appoint a~~
34 ~~successor as soon as practicable and shall file his or her name and address with the board of~~

1 ~~elections within ten (10) days.~~

2 ~~**17-25-9. Designation of campaign treasurer of political party committees -- Filings.--**~~

3 ~~-(a) Each state and municipal committee of a political party shall, on or before January 31 of~~
4 ~~each year, designate a campaign treasurer and shall file the name and address of that person with~~
5 ~~the board of elections.~~

6 ~~-(b) A campaign treasurer of the state or municipal committee of a political party may~~
7 ~~appoint deputy campaign treasurers as may be required. The committees shall file the names and~~
8 ~~addresses of the deputy campaign treasurers with the board of elections.~~

9 ~~-(c) Any state or municipal committee of a political party may remove at any time its~~
10 ~~campaign treasurer. In the case of the death, resignation, or removal of its campaign treasurer,~~
11 ~~any committee shall appoint a successor as soon as practicable and file his or her name and~~
12 ~~address with the board of elections within ten (10) days.~~

13 ~~**17-25-10. Lawful methods of contributing to support of candidates -- Reporting --**~~

14 ~~**Disposition of anonymous contributions.** -- (a) No contribution shall be made or received, and~~
15 ~~no expenditures shall be directly made or incurred, to support or defeat a candidate except~~
16 ~~through:~~

17 ~~-(1) The duly appointed campaign treasurer, or deputy campaign treasurers, of the~~
18 ~~candidates;~~

19 ~~-(2) The duly appointed campaign treasurer or deputy campaign treasurers of a political~~
20 ~~party committee;~~

21 ~~-(3) The duly appointed campaign treasurer or deputy campaign treasurer of a political~~
22 ~~action committee.~~

23 ~~-(b) It shall be lawful for any person, not otherwise prohibited by law and not acting in~~
24 ~~concert with any other person or group, to expend personally from that person's own funds a sum~~
25 ~~which is not to be repaid to him or her for any purpose not prohibited by law to support or defeat~~
26 ~~a candidate; provided, that any person making the expenditure shall be required to report all of his~~
27 ~~or her expenditures and expenses, if the total of the money so expended exceeds one hundred~~
28 ~~dollars (\$100) within a calendar year, to the board of elections within seven (7) days of making~~
29 ~~the expenditure and to the campaign treasurer of the candidate or political party committee on~~
30 ~~whose behalf the expenditure or contribution was made, or to his or her deputy, within seven (7)~~
31 ~~days of making the expenditure, who shall cause the expenditures and expenses to be included in~~
32 ~~his or her reports to the board of elections. Whether a person is "acting in concert with any other~~
33 ~~person or group" for the purposes of this subsection shall be determined by application of the~~
34 ~~standards set forth in section 17-25-23.~~

1 ~~-(e) Any anonymous contribution received by a campaign treasurer or deputy campaign~~
2 ~~treasurer shall not be used or expended, but shall be returned to the donor, if the donor's identity~~
3 ~~can be ascertained; if not, the contribution shall escheat to the state.~~

4 ~~**17-25-10.1. Political contributions -- Limitations.** (a) (1) No person, other than the~~
5 ~~candidate to his or her own campaign, nor any political action committee shall make a~~
6 ~~contribution or contributions to any candidate, as defined by section 17-25-3, or political action~~
7 ~~committee or political party committee which in the aggregate exceed one thousand dollars~~
8 ~~(\$1,000) within a calendar year, nor shall any person make contributions to more than one state or~~
9 ~~local candidate, to more than one political action committee, or to more than one political party~~
10 ~~committee, or to a combination of state and local candidates and political action committees and~~
11 ~~political party committees which in the aggregate exceed ten thousand dollars (\$10,000) within a~~
12 ~~calendar year, nor shall any political action committee make such contributions which in the~~
13 ~~aggregate exceed twenty five thousand dollars (\$25,000) within a calendar year, nor shall any~~
14 ~~candidate or any political action committee or any political party committee accept a contribution~~
15 ~~or contributions which in the aggregate exceed one thousand dollars (\$1,000) within a calendar~~
16 ~~year from any one person or political action committee.~~

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

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

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

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

33 ~~-(e) Nothing in this section shall be construed to restrict political party committees~~
34 ~~organized pursuant to this title from making contributions to the candidates of that political party;~~

1 ~~provided, that these contributions, other than allowable "in-kind" contributions, shall not exceed,~~
2 ~~in the aggregate, twenty five thousand dollars (\$25,000) to any one candidate within a calendar~~
3 ~~year, nor shall any candidate accept a contribution or contributions, other than allowable "in-~~
4 ~~kind" contributions, which in the aggregate exceed twenty five thousand dollars (\$25,000) within~~
5 ~~a calendar year from all committees of his or her political party. There shall be no restriction on~~
6 ~~the amount of "in-kind" contributions that a political party committee may make to a candidate of~~
7 ~~its political party; provided, that for the purposes of this subsection only, the cost of any~~
8 ~~preparation and airing of television and/or radio advertisements and the cost of any print~~
9 ~~advertisements shall not be considered an allowable "in-kind" contribution and shall be subject to~~
10 ~~the aggregate limitation of twenty five thousand dollars (\$25,000).~~

11 ~~(f) (1) A contribution from an individual's dependent children, as defined in section 36-~~
12 ~~14-2, shall be deemed a contribution from the individual for the purpose of determining whether~~
13 ~~aggregate contributions exceed either the one hundred dollar (\$100) threshold for reporting~~
14 ~~purposes or the one thousand dollar (\$1,000) maximum for contributions to a single candidate or~~
15 ~~political action committee or the ten thousand dollar (\$10,000) maximum for contributing to all~~
16 ~~candidates and political action committees within a calendar year.~~

17 ~~(2) No dependent child shall contribute an amount which, when added to contributions~~
18 ~~already made by that child's parent or legal guardian and by other dependent children of that~~
19 ~~parent or legal guardian, exceed the one thousand dollar (\$1,000) maximum for contributions to a~~
20 ~~single candidate or political action committee or exceed the ten thousand dollar (\$10,000)~~
21 ~~maximum for contributions to all state or local candidates and political action committees within~~
22 ~~a calendar year.~~

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

26 ~~(h) (1) It shall be unlawful for any corporation, whether profit or non profit, domestic~~
27 ~~corporation or foreign corporation, as defined in section 71.2-106, or other business entity to~~
28 ~~make any campaign contribution or expenditure, as defined in section 17-25-3, to or for any~~
29 ~~candidate, political action committee, or political party committee, or for any candidate, political~~
30 ~~action committee, or political party committee to accept any campaign contribution or~~
31 ~~expenditure from a corporation or other business entity. Any contribution made in the personal~~
32 ~~name of any employee of a corporation or other business entity, for which the employee received~~
33 ~~or will receive reimbursement from the corporation or other business entity, shall be considered~~
34 ~~as a contribution by the corporation or other business entity, in violation of this section.~~

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

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

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

18 **17-25-11. Dates for filing of reports by treasurers of candidates or of committees. --**

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

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

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

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

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

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

9 ~~(ii) The amount contributed by each person;~~

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

12 ~~(iv) The amount and purpose of each expenditure.~~

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

24 ~~(c) Once the campaign treasurer certifies that the campaign fund has completed its~~
25 ~~business and been dissolved, no contribution which is intended to defray expenditures incurred on~~
26 ~~behalf of or in opposition to a candidate during the campaign can be accepted. Until the time that~~
27 ~~the campaign treasurer certifies that the campaign fund has completed its business and been~~
28 ~~dissolved, the treasurer shall file reports containing an account of contributions received and~~
29 ~~expenditures made at ninety (90) day intervals commencing with the next quarterly report~~
30 ~~following the election; however, the time to file under this subsection shall be no later than the~~
31 ~~last day of the month following the ninety (90) day period, except when the last day of the month~~
32 ~~filing deadline following the ninety (90) day reporting period occurs less than twenty-eight (28)~~
33 ~~days before an election, in which case the report shall be filed pursuant to the provisions of~~
34 ~~subdivisions (a)(1) and (2) of this section. Provided, however, if the last day of the month falls on~~

1 ~~a weekend or a holiday, the report shall be due on the following business day.~~

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

6 ~~-(2) However, even though the aggregate amount expended on behalf of the candidacy~~
7 ~~does not exceed one thousand dollars (\$1,000), reports must be made listing the source and~~
8 ~~amounts of all contributions in excess of a total of one hundred dollars (\$100) from any one~~
9 ~~source within a calendar year. Even though the aggregate amount expended on behalf of the~~
10 ~~candidacy does not exceed one thousand dollars (\$1,000) and no contribution from any one~~
11 ~~source within a calendar year exceeds one hundred dollars (\$100), the report shall state the~~
12 ~~aggregate amount of all contributions received. In addition, the report shall state the amount of~~
13 ~~aggregate contributions that were from individuals, the amount from political action committees,~~
14 ~~and the amount from political party committees.~~

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

20 ~~-(f) A campaign treasurer must file a report containing an account of contributions~~
21 ~~received and expenditures made at the ninety (90) day intervals provided for in subsection (e) of~~
22 ~~this section for any ninety (90) day period in which the campaign received contributions in excess~~
23 ~~of a total of one hundred dollars (\$100) within a calendar year from any one source and/or made~~
24 ~~expenditures in excess of one thousand dollars (\$1,000) within a calendar year; however, the time~~
25 ~~to file under this subsection shall be no later than the last day of the month following the ninety~~
26 ~~(90) day period, except when the last day of the month filing deadline following the ninety (90)~~
27 ~~day reporting period occurs less than twenty eight (28) days before an election, in which case the~~
28 ~~report shall be filed pursuant to the provisions of subdivisions (a)(1) and (2) of this section.~~
29 ~~Provided, however, if the last day of the month falls on a weekend or a holiday, the report shall be~~
30 ~~due on the following business day.~~

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

34 ~~-(2) Any person or entity required to file reports with the board of elections pursuant to~~

1 ~~this section and who has not filed the report by the required date, unless granted an extension~~
2 ~~pursuant to subdivision (1) of this subsection, shall be fined twenty five dollars (\$25.00).~~
3 ~~Notwithstanding any of the provisions of this section, the board of elections shall have the~~
4 ~~authority to waive late filing fees for good cause shown.~~

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

12 ~~**17-25-11.1. Preservation of candidate or committee records.**~~ (a) ~~For every report~~
13 ~~filed after the effective date of this chapter, the campaign treasurer of each candidate seeking~~
14 ~~nomination for election or election to public office shall maintain and preserve all records and~~
15 ~~supporting documentation for a period of four (4) years from the filing date.~~

16 ~~(b) For every report filed after the effective date of this chapter, the treasurer of each~~
17 ~~political party committee and political action committee shall be required to maintain and~~
18 ~~preserve all records in support of the committee reports filed pursuant to section 17-25-11 for a~~
19 ~~period of four (4) years from the filing date.~~

20 ~~**17-25-12. Prohibited contributions.**~~ ~~No contributions shall be made, and no~~
21 ~~expenditure shall be made or incurred, whether anonymously, in a fictitious name, or by one~~
22 ~~person or group in the name of another, to support or defeat a candidate in a primary, general, or~~
23 ~~special election. No treasurer or candidate shall solicit or knowingly accept any contribution~~
24 ~~contrary to the provisions of this section.~~

25 ~~**17-25-13. Penalties.**~~ (a) ~~Any person who willfully and knowingly violates the~~
26 ~~provisions of this chapter shall, upon conviction, be guilty of a misdemeanor and shall be fined~~
27 ~~not more than one thousand dollars (\$1,000) per violation.~~

28 ~~(b) The state board may fine any person or entity who violates the provisions of this~~
29 ~~chapter in an amount not more than one hundred dollars (\$100) per violation.~~

30 ~~(c) Fines, fees and penalties imposed by the state board for violations of this chapter~~
31 ~~shall be paid for by the candidate, officeholder or entity against whose campaign the fines, fees or~~
32 ~~penalties have been levied. Fines, fees and penalties levied by the state board pursuant to this~~
33 ~~chapter shall not be paid for from contributions or funds available in a campaign account.~~

34 ~~**17-25-14. Maintenance of party organization.**~~ ~~Any state or municipal committee of~~

1 ~~any political party may receive and disburse moneys for the general purposes of maintaining the~~
2 ~~organization during the whole or any part of the year.~~

3 ~~**17-25-15. Political action committee -- Notice of formation.**~~ (a) ~~No political action~~
4 ~~committee shall accept any contributions or make any expenditures prior to filing notice of its~~
5 ~~organization with the board of elections. The notice shall contain:~~

6 ~~(1) The name or names of any candidates whose election or defeat the committee intends~~
7 ~~to advocate;~~

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

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

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

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

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

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

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

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

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

1 ~~(d) The board of elections may reject the use by a political action committee of a name~~
2 ~~which is misleading and/or does not accurately identify the membership or contributor base of the~~
3 ~~committee.~~

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

11 ~~**17-25-16. Enjoining of illegal acts -- Forfeiture of contributions.** (a) Whenever the~~
12 ~~board of elections has reason to believe that a candidate, political party committee, or political~~
13 ~~action committee, or the campaign treasurer or deputy campaign treasurer of the candidate or~~
14 ~~committee, has accepted a contribution or made an expenditure in violation of the provisions of~~
15 ~~this chapter, or willfully and knowingly has made a false statement in any of the reports required~~
16 ~~under this chapter or failed to file any report, or has otherwise violated this chapter, the board~~
17 ~~may, in addition to all other actions authorized by law, request the attorney general to bring an~~
18 ~~action in the name of the state of Rhode Island in the superior court against the person and/or~~
19 ~~committee to enjoin them from continuing the violation, or doing any acts in furtherance of the~~
20 ~~violation, and for any other relief that the court deems appropriate. In addition, the court may~~
21 ~~order the forfeiture of any or all contributions accepted in violation of and/or not reported as~~
22 ~~required by this chapter. All contributions so forfeited shall become the property of the state.~~

23 ~~(b) The court shall also impose a civil penalty not exceeding three (3) times the amount~~
24 ~~of:~~

25 ~~(1) Contributions made or accepted in violation of this chapter;~~

26 ~~(2) Expenditures made in violation of this chapter; and/or~~

27 ~~(3) Contributions or expenditures not reported as required by this chapter.~~

28 ~~(c) All funds collected pursuant to this section shall be deposited in the fund established~~
29 ~~for the public financing of the electoral system pursuant to this chapter.~~

30 ~~**17-25-17. Severability.** (a) If the provisions of this chapter or their application to any~~
31 ~~person or circumstances is held invalid, the invalidity shall not affect other provisions or~~
32 ~~applications of the chapter which can be given effect without the invalid provision or application,~~
33 ~~and to this end the provisions of the chapter are declared to be severable.~~

34 ~~(b) Without limiting the generality of subsection (a) of this section, if the application of~~

1 any provision of this chapter to contributions and/or expenditures made in regard to ballot
2 questions is held invalid, the provision shall remain applicable to contributions and/or
3 expenditures made in regard to candidates.

4 ~~**17-25-18. Public financing of election campaigns -- General purpose.**~~ Whereas, the
5 general assembly finds that the cost of running for statewide office has risen over the last decade
6 at a rate far in excess of the increase in the cost of living; and

7 ~~Whereas, the general assembly finds that the need to raise ever larger sums of money to~~
8 ~~effectively compete for general office threatens the essence of our democratic system by~~
9 ~~excluding many well qualified candidates; and~~

10 ~~Whereas, the general assembly finds that the candidate's need to raise large sums of~~
11 ~~money can result in disproportionate and inappropriate influence being obtained by those who~~
12 ~~possess the financial ability to make large contributions to campaigns; and~~

13 ~~Whereas, the general assembly finds that the state cannot impose limitations on the~~
14 ~~amount of private funds raised and expended for election purposes by a candidate unless it~~
15 ~~provides for at least partial public financing of campaigns;~~

16 ~~Therefore, the general assembly determines that it is in the best interest of the citizens of~~
17 ~~the state to provide public financing to qualified candidates for general office.~~

18 ~~**17-25-19. Public financing of election campaigns -- Outlined.**~~ (a) To effectuate the
19 purpose stated in section 17-25-18, public funds shall be made available under the terms and
20 conditions of this section and sections 17-25-20—17-25-27 to qualifying candidates for general
21 office who agree to abide by a limitation on the total amount of campaign contributions received
22 and expenditures made for election purposes.

23 ~~(b) The nominees for general office of each political party, as defined in section 17-1-~~
24 ~~2(9), and independent candidates for those offices who meet the requirements set forth in section~~
25 ~~17-25-20(6), shall be eligible to receive two dollars (\$2.00) of public funds for each qualified~~
26 ~~dollar (\$1.00) of private funds contributed which do not exceed an aggregate of five hundred~~
27 ~~dollars (\$500) from a single source within an election cycle and one dollar (\$1.00) of public funds~~
28 ~~for each qualified dollar (\$1.00) of private funds contributed which exceed an aggregate of five~~
29 ~~hundred dollars (\$500) from a single source within an election cycle but do not exceed the~~
30 ~~limitations on aggregate contributions which are eligible to be matched set in section 17-25-20(3),~~
31 ~~subject to the provisions of section 17-25-20(2). The total amount of public funds provided to a~~
32 ~~candidate shall not exceed seven hundred fifty thousand dollars (\$750,000) in matching funds for~~
33 ~~a total of one million five hundred thousand dollars (\$1,500,000) for candidates for governor; and~~
34 ~~one hundred eighty seven thousand five hundred dollars (\$187,500) in matching funds for a total~~

1 ~~of three hundred seventy five thousand dollars (\$375,000) for candidates for other general~~
2 ~~offices.~~

3 ~~(c) In order to be eligible for matching public funds, each candidate at the time he or she~~
4 ~~becomes a candidate, as defined in section 17-25-3(2), must sign a statement under oath pledging~~
5 ~~to comply with the limitations on campaign contributions and expenditures and with all of the~~
6 ~~terms and conditions set forth in this chapter. Any candidate who fails to file the statement with~~
7 ~~his or her declaration for office shall be ineligible to receive public funds.~~

8 ~~**17-25-20. Eligibility criteria for matching public funds.** In order to receive matching~~
9 ~~public funds under section 17-25-19, a qualifying candidate must comply with the following~~
10 ~~requirements:~~

11 ~~(1) The candidate must sign a statement under oath, as provided for in section 17-25-19,~~
12 ~~pledging to comply with the limitations on contributions and expenditures for election purposes~~
13 ~~and with all the terms and conditions set forth in this chapter. Upon the filing of the statement, a~~
14 ~~candidate for general office shall be bound to abide by the limitations on contributions and~~
15 ~~expenditures set forth in this chapter and may not withdraw from his or her obligation to abide by~~
16 ~~these restrictions.~~

17 ~~(2) (i) Subject to the provisions of paragraph (ii) of this subdivision, no participating~~
18 ~~candidate shall either receive or expend for election purposes more than a total of public and~~
19 ~~private funds in the sum of one million five hundred thousand dollars (\$1,500,000) in an election~~
20 ~~cycle. No participating candidate for general office other than governor shall receive or expend~~
21 ~~for election purposes more than a total of public and private funds in the sum of three hundred~~
22 ~~seventy five thousand dollars (\$375,000) in an election cycle.~~

23 ~~(ii) The limitations on contributions received from private sources, matching funds~~
24 ~~available from the state, and total permitted expenditures shall apply in the 1994 general election~~
25 ~~and, subject to appropriations by the general assembly, shall increase by a percentage to be~~
26 ~~determined by the board of elections in January of each year in which a general election involving~~
27 ~~general offices is held, beginning in 1998. In no case shall the increase exceed the total increase~~
28 ~~in the consumer price index since the month in which the previous general election involving~~
29 ~~general was held.~~

30 ~~(3) (i) Only the first two thousand dollars (\$2,000) of the aggregate private monetary~~
31 ~~contributions from a single private source within an election cycle shall be eligible for matching~~
32 ~~public funds for candidates for governor; provided, that the entire amount contributed shall be~~
33 ~~considered toward the dollar limits provided in subdivision (2) of this section.~~

34 ~~(ii) Only the first one thousand dollars (\$1,000) of the aggregate private monetary~~

1 ~~contributions from a single private source within an election cycle shall be eligible for matching~~
2 ~~public funds for candidates for lieutenant governor, secretary of state, attorney general, and~~
3 ~~general treasurer; provided, that the entire amount contributed shall be considered toward the~~
4 ~~dollar limits provided for in subdivision (2) of this section.~~

5 ~~(iii) Any private funds lawfully contributed during the current election cycle shall be~~
6 ~~eligible for matching public funds subject to the terms and conditions of this section, and private~~
7 ~~funds donated during a preceding election cycle shall not be eligible for matching public funds.~~

8 ~~(4) The direct costs incurred in connection with raising campaign funds on behalf of a~~
9 ~~candidate shall not be deemed to be expenditures for the purposes of the limitations on~~
10 ~~expenditures set forth in subdivision (2) of this section. Direct costs shall include costs of printing~~
11 ~~and mailing invitations to fundraising events, solicitations for contributions, costs of hosting~~
12 ~~fundraising events, and travel to those events, but shall not include any portion of the salary or~~
13 ~~wages of campaign employees, nor the cost of any radio, television, or printed advertisement. The~~
14 ~~cost of a fundraising event must be less than the amount of money realized from the gross~~
15 ~~proceeds generated by the fundraising event in order to qualify for this exclusion.~~

16 ~~(5) If a candidate who has accepted public funds makes expenditures in excess of the~~
17 ~~permitted amounts, the candidate shall be liable for a civil assessment payable to the state in an~~
18 ~~amount equal to three (3) times the amount of excess funds expended. In addition, the candidate~~
19 ~~shall be ineligible for further participation in the public financing program during the same~~
20 ~~election cycle.~~

21 ~~(6) In order to receive payments under this section, any independent candidate shall first~~
22 ~~meet the following additional minimum requirements:~~

23 ~~(i) Raise an amount in qualified private contributions equal to twenty percent (20%) of~~
24 ~~the total amount eligible to be matched for election as to the office sought;~~

25 ~~(ii) Receive private contributions from a minimum of two hundred fifty (250) individuals~~
26 ~~contributing at least twenty five dollars (\$25.00) each; and~~

27 ~~(iii) Comply with any and all applicable nomination provisions in this title and qualify~~
28 ~~for the general election ballot pursuant to the process set forth in this title.~~

29 ~~(7) No public funds received by any candidate pursuant to sections 17-25-19—17-25-27~~
30 ~~of this chapter and no private funds used to qualify for the public funds shall be expended by the~~
31 ~~candidate for any purpose except to pay reasonable and necessary expenses directly related to the~~
32 ~~candidate's campaign.~~

33 ~~(8) No public funds shall be expended by the candidate, except for one or more of the~~
34 ~~following uses directly related to the campaign of the candidate:~~

- 1 ~~(i) Purchase of time on radio or television stations; provided, however, the content of all~~
2 ~~television time shall include captioning for the deaf and hard of hearing and the content of all~~
3 ~~radio time must be available in a written or text format at the time of request;~~
- 4 ~~(ii) Purchase of rental space on outdoor signs or billboards;~~
- 5 ~~(iii) Purchase of advertising space in newspapers and regularly published magazines and~~
6 ~~periodicals;~~
- 7 ~~(iv) Payment of the cost of producing the material aired or displayed on radio, television,~~
8 ~~outdoor signs or billboards, and in newspapers, regularly published magazines, and periodicals;~~
- 9 ~~(v) Payment of the cost of printing and mailing campaign literature and brochures;~~
- 10 ~~(vi) Purchase of signs, bumper stickers, campaign buttons, and other campaign~~
11 ~~paraphernalia;~~
- 12 ~~(vii) Payment of the cost of legal and accounting expenses incurred in complying with~~
13 ~~the public financing law and regulations as required by this chapter;~~
- 14 ~~(viii) Payment of the cost of telephone deposits, installation charges, and monthly~~
15 ~~billings in excess of deposits;~~
- 16 ~~(ix) Payment of the costs of public opinion polls and surveys; and~~
- 17 ~~(x) Payment of rent, utilities and associated expenses connected with the operation of an~~
18 ~~election headquarters or satellite election offices.~~
- 19 ~~(9) Contributions received and expended by any candidate for the purpose of defraying~~
20 ~~any expense or satisfying any loan obligations incurred prior to January 1, 1991, by the candidate~~
21 ~~in furtherance of his or her candidacy in a previous election cycle, as defined in section 17-25-~~
22 ~~3(5), shall not be counted toward any contribution or expenditure limitation in sections 17-25-18-~~
23 ~~17-25-27.~~
- 24 ~~(10) No candidate who has elected to receive public funds shall contribute to or loan to~~
25 ~~his or her own campaign a sum in excess of five percent (5%) of the total amount that a candidate~~
26 ~~is permitted to expend in a campaign for the office pursuant to sections 17-25-19 and 17-25-21.~~
- 27 ~~**17-25-21. Primary elections.** --- Any candidate eligible to receive public funds and~~
28 ~~electing to receive these funds who is challenged for nomination for general office in a political~~
29 ~~party primary shall be permitted to raise and expend an additional amount of private funds equal~~
30 ~~to one third (1/3) of the maximum allowable expenditure amount for the office or equal to the~~
31 ~~total amount spent by the candidates' opponent or opponents in the primary, whichever amount is~~
32 ~~less. The additional amount received in contributions must be expended prior to the primary~~
33 ~~election. The additional private contributions shall not be eligible for matching public funds.~~
- 34 ~~**17-25-22. Time period for payment of public funds.** --- (a) No public funds shall be~~

1 ~~dispersed to candidates until after the date of the primary election. In order to receive matching~~
2 ~~public funds, the candidate must be the nominee for general office of a political party, as defined~~
3 ~~in section 17-12.1-12, or an independent candidate for general office who meets all of the~~
4 ~~requirements set forth in section 17-25-20(6). The candidate must submit to the board of elections~~
5 ~~proof of receipt of qualifying private contributions and supporting documentation as required by~~
6 ~~the board. The board of elections shall, within five (5) business days of the receipt of the request~~
7 ~~for payment of matching funds, either pay over funds to the candidate or disallow all or a portion~~
8 ~~of the request and state in writing the reasons for the disallowance.~~

9 ~~(b) A candidate may submit supplemental applications for public funds until the time~~
10 ~~that the permitted limits are reached.~~

11 ~~**17-25-23. Funds expended by person, committee of a political party, or political**~~
12 ~~**action committee -- Private expenditure.** For the purposes of sections 17-25-19 and 17-25-~~
13 ~~20, any funds expended by a person, committee of a political party, or political action committee~~
14 ~~to directly influence the outcome of the electoral contest involving the candidate shall be~~
15 ~~considered a contribution received by or an expenditure made by the candidate for general office,~~
16 ~~or if one or more of the following relationships between the candidate and the person, committee~~
17 ~~of a political party, or political action committee is present:~~

18 ~~(1) There is any arrangement, coordination, or direction with respect to the expenditure~~
19 ~~between the candidate or the candidate's agent and the person making the expenditure;~~

20 ~~(2) In the same election cycle, the person making the expenditure, including any officer,~~
21 ~~director, employee, or agent of the person, is or has been authorized to raise or expend funds on~~
22 ~~behalf of the candidate or the candidate's authorized committees, or is or has been an officer of~~
23 ~~the candidate's authorized committees, or is or has been receiving any form of compensation or~~
24 ~~reimbursement from the candidate, the candidate's authorized committees, or the candidate's~~
25 ~~agent;~~

26 ~~(3) The person making the expenditure, including any officer, director, employee, or~~
27 ~~agent of the person, has communicated with, advised, or counseled the candidate or the~~
28 ~~candidate's agents at any time on the candidate's plans, projects, or needs relating to the~~
29 ~~candidate's pursuit of election to general office in the same election cycle, including any advice~~
30 ~~relating to the candidate's decision to seek election to general office;~~

31 ~~(4) The person making the expenditure retains the professional services of any individual~~
32 ~~or other person also providing those services to the candidate in connection with the candidate's~~
33 ~~pursuit of election to general office in the same election cycle, including any services relating to~~
34 ~~the candidate's decision to seek election to general office;~~

1 ~~-(5) The person making the expenditure, including any officer, director, employer, or~~
2 ~~agent of the person, has communicated or consulted at any time during the same election cycle~~
3 ~~about the candidate's plans, projects, or needs relating to the candidate's pursuit of election to~~
4 ~~general office, with:~~

5 ~~-(i) Any officer, director, employee, or agent of a party committee that has made or~~
6 ~~intends to make expenditures or contributions, in connection with the candidate's campaign; or~~

7 ~~-(ii) Any person whose professional services have been retained by a political party~~
8 ~~committee that has made or intends to make expenditures or contributions;~~

9 ~~-(6) The expenditure is based on information provided to the person making the~~
10 ~~expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's~~
11 ~~plans, projects, or needs; provided, that the candidate or the candidate's agents are aware that the~~
12 ~~other person has made or is planning to make expenditures expressly advocating the candidate's~~
13 ~~election; or~~

14 ~~-(7) The expenditure is made by a person with the intention of seeking or obtaining any~~
15 ~~governmental benefit or consideration from the candidate by reason of the expenditure.~~

16 ~~**17-25-24. Additional expenditures.** --- Any candidate eligible to receive public funds~~
17 ~~and electing to receive these funds whose opponent does not elect to receive public funds shall be~~
18 ~~permitted to raise additional private contributions and make additional expenditures for election~~
19 ~~purposes in an amount in excess of the candidate's maximum allowable expenditure limit equal to~~
20 ~~the amount by which the expenditures of the opponent exceed the maximum allowable~~
21 ~~expenditure limit that would have applied to the opponent's expenditures had the opponent~~
22 ~~elected to receive public funds.~~

23 ~~**17-25-25. Surplus campaign funds.** --- Any candidate receiving public funds during any~~
24 ~~election cycle under the provisions of this chapter shall, within ninety (90) days after the~~
25 ~~completion of the election cycle, transfer to the general treasurer for deposit in the general fund~~
26 ~~fifty percent (50%) of any amount of the candidate's total campaign funds unexpended as of the~~
27 ~~last day of the election cycle. The candidate may convert the remaining fifty percent (50%) of the~~
28 ~~amount to use for any political purposes not otherwise prohibited by law. The remaining fifty~~
29 ~~percent (50%) of that amount may not be converted to personal use by the candidate.~~

30 ~~**17-25-26. Equal apportionment of expenditures for joint advertisements.** --- Any~~
31 ~~expenditure jointly made by any two (2) or more candidates for any newspaper, radio, or~~
32 ~~television advertisement primarily benefiting the candidate shall be attributed to and apportioned~~
33 ~~equally among those candidates who are clearly identified in that advertisement. The~~
34 ~~apportionments shall constitute campaign expenditures subject to all reporting requirements of~~

1 ~~this chapter and shall be counted toward any total campaign expenditures limit that may apply to~~
2 ~~each or any of the candidates.~~

3 ~~**17-25-27. Post-audit of accounts -- Publication.** The board may conduct a post-audit~~
4 ~~of all accounts and transactions for any election cycle and may conduct any other special audits~~
5 ~~and post-audits that it may deem necessary. The board shall publish a summary of the reports~~
6 ~~filed by candidates for general office pursuant to the public financing provision of this chapter on~~
7 ~~or before April 1 of the year following any year in which elections are held for statewide elective~~
8 ~~office.~~

9 ~~**17-25-28. Board of elections -- Regulation and auditing of matching fund program.**~~
10 ~~-- In addition to all other powers and duties established by law, the board of elections is~~
11 ~~empowered to adopt and enforce rules, regulations, and auditing procedures required to fulfill the~~
12 ~~mandates of sections 17-25-19 -- 17-25-27. The board is empowered, among other things, to:~~

13 ~~(1) Ascertain whether any contributions to or expenditures for candidates for general~~
14 ~~office have exceeded limits prescribed by sections 17-25-18 -- 17-25-27. Ascertain the amount~~
15 ~~and source of contributions received and expenditures made by all candidates for general offices,~~
16 ~~whether or not the candidate chose to participate in public financing.~~

17 ~~(2) Issue advisory opinions upon its own initiative or upon application of any candidate.~~

18 ~~(3) (i) Conduct investigations and/or hearings relative to alleged violations of sections~~
19 ~~17-25-18 -- 17-25-27, either on its own initiative or upon receipt of a verified written complaint,~~
20 ~~which complaint shall, under pain and penalty of perjury, be based upon actual knowledge and~~
21 ~~not merely on information and belief.~~

22 ~~(ii) Upon receipt of a verified written complaint, or upon receipt of evidence which is~~
23 ~~deemed sufficient by the board, the board may initiate a preliminary investigation into any~~
24 ~~alleged violation of sections 17-25-18 -- 17-25-27. All board proceedings and records relating to~~
25 ~~a preliminary investigation shall be confidential, except that the board may turn over to the~~
26 ~~attorney general evidence that may be used in a criminal proceeding. The board shall notify any~~
27 ~~person who is the subject of the preliminary investigation of the existence of the investigation and~~
28 ~~the general nature of the alleged violation by certified or registered mail, return receipt requested,~~
29 ~~within seven (7) days of the commencement of the investigation.~~

30 ~~(iii) If a preliminary investigation fails to indicate reasonable cause for belief that~~
31 ~~sections 17-25-18 -- 17-25-27 have been violated, the board shall immediately terminate the~~
32 ~~investigation and notify, in writing, the complainant, if any, and the person who had been the~~
33 ~~subject of the investigation.~~

34 ~~(iv) If a preliminary investigation indicates reasonable cause for belief that sections 17-~~

1 ~~25-18—17-25-27 have been violated, the board may, upon a majority vote, initiate a full~~
2 ~~investigation and appropriate proceedings to determine whether there has been a violation.~~

3 ~~-(v) All testimony in board proceedings shall be under oath. All parties shall have the~~
4 ~~right to call and examine witnesses, to introduce exhibits, to cross-examine witnesses who testify,~~
5 ~~to submit evidence, and to be represented by counsel. Before testifying, all witnesses shall be~~
6 ~~given a copy of the regulations governing board proceedings. All witnesses shall be entitled to be~~
7 ~~represented by counsel.~~

8 ~~-(vi) Any person whose name is mentioned during a proceeding of the board and who~~
9 ~~may be adversely affected by it may appear personally before the board on his or her own behalf~~
10 ~~or file a written statement for incorporation into the record of the proceeding.~~

11 ~~-(vii) Within fourteen (14) days after the end of proceedings, the board shall meet in~~
12 ~~executive session for the purpose of reviewing the evidence before it. Within thirty (30) days after~~
13 ~~completion of deliberations, the board shall publish a written report of its findings and~~
14 ~~conclusions.~~

15 ~~-(viii) (A) Upon a finding that there has been a violation of sections 17-25-18—17-25-27~~
16 ~~or any other campaign finance law, the board may issue an order requiring the violator to:~~

17 ~~-(I) Cease and desist from the violation;~~

18 ~~-(II) File any report, statements or other information as required by this chapter; and/or~~

19 ~~-(III) Pay a civil fine for each violation of any section of this chapter in an amount~~
20 ~~authorized by that section or, if no authorization exists, in amount not to exceed the greater of one~~
21 ~~thousand dollars (\$1,000) or three (3) times the amount the violator failed to properly report or~~
22 ~~unlawfully contributed, expended, gave, or received.~~

23 ~~-(B) The board may turn over to the attorney general any evidence that may be used in a~~
24 ~~subsequent criminal proceeding against any violator.~~

25 ~~-(ix) The board may file a civil action in superior court to enforce an order issued by it~~
26 ~~pursuant to this section.~~

27 ~~-(x) Any final action by the board made pursuant to this chapter shall be subject to review~~
28 ~~in superior court upon petition of any interested person filed within thirty (30) days after the~~
29 ~~action for which review is sought. The court shall enter a judgment enforcing, modifying, or~~
30 ~~setting aside the order of the board, or it may remand the proceeding to the board for any further~~
31 ~~action that the court may decide.~~

32 ~~**17-25-29. Appropriations.** -- In the event the funds generated by the tax credit of section~~
33 ~~44-30-2(d) fail to produce sufficient money to meet the requirements of the public financing of~~
34 ~~the electoral system as set forth in sections 17-25-19—17-25-27, then funds sufficient to meet the~~

1 ~~levels of the public financing as set forth in this chapter shall be supplied from the general fund of~~
2 ~~the state treasury. There is appropriated from the general treasury those sums that may be~~
3 ~~necessary for carrying out the purposes of the public financing of the electoral system, and an~~
4 ~~amount equal to the total of all maximum amounts of matching public funds available to all party~~
5 ~~and independent candidates for general office qualifying and electing to receive public funds in~~
6 ~~an election shall be transferred to the board of elections no later than September 1 of each~~
7 ~~election year and deposited in a manner that will secure the highest rate of interest available~~
8 ~~consistent with the safety of the sums and with the requirement that all sums on deposit be~~
9 ~~available for immediate payment to eligible candidates at any time after the date of the primary~~
10 ~~election. The state controller is authorized and directed to draw his or her orders upon the general~~
11 ~~treasurer for transfer of all sums the board deems necessary to comply with this section. There~~
12 ~~shall also be transferred to the board any additional sums that may be required until the permitted~~
13 ~~limits are reached. The board shall account for all funds disbursed pursuant to this chapter and~~
14 ~~transfer upon the conclusion of any election for general office any and all undisbursed sums to the~~
15 ~~general treasurer for deposit in the general fund by December 1 in any year in which the election~~
16 ~~is held.~~

17 ~~**17-25-30. Public financing of election campaigns -- Compliance benefits.**~~ (1)

18 ~~Entitled to an additional benefit of free time on community antenna television to be allocated~~
19 ~~pursuant to rules determined by the administrator for the division of public utilities. During all~~
20 ~~allocated free time, the candidate shall personally appear and present the message of the~~
21 ~~advertisement; provided, however, the content of all television time shall include captioning for~~
22 ~~the deaf and hard of hearing and the content of all radio time must be available in a written or text~~
23 ~~format at the time of request;~~

24 ~~(2) Entitled to an additional benefit of free time on any public broadcasting station~~
25 ~~operating under the jurisdiction of the Rhode Island public telecommunications authority~~
26 ~~pursuant to rules determined by the authority. During all allocated free time, the candidate shall~~
27 ~~personally appear and personally present the message of the advertisement; provided, however,~~
28 ~~the content of all television time shall include captioning for the deaf and hard of hearing and the~~
29 ~~content of all radio time must be available in a written or text format at the time of request; and~~

30 ~~(3) Entitled to accept a contribution or contributions that in the aggregate do not exceed~~
31 ~~two thousand dollars (\$2,000) from any person or political action committee within a calendar~~
32 ~~year.~~

33 ~~**17-25-30.1. Community antenna television -- Rules and regulations.**~~ The

34 ~~administrator for the division of public utilities for the state of Rhode Island shall formulate rules~~

~~1 and regulations concerning the allocation of advertising time to be used by those candidates for
2 public office who are eligible to receive public funds and who comply in full with all eligible
3 criteria for receipt of the funds.~~

4 SECTION 2. Title 17 of the General Laws entitled "ELECTIONS" is hereby amended by
5 adding thereto the following chapter:

6 17-25-1

7 RHODE ISLAND PUBLIC FINANCING OF ELECTIONS ACT

8 17-25.1-1. Short title. -- This chapter shall be known and may be cited as the "Rhode
9 Island Public Financing of Elections Act".

10 17-25.1-2. Declaration of policy. -- (a) Public financing of election campaigns –
11 Findings and general purpose. – Notwithstanding any other provisions of this chapter, it is
12 declared to be in the public interest to establish a system of public financing for candidates
13 seeking election to general offices (Governor, Lieutenant Governor, Secretary of State, Attorney
14 General, Treasurer) and to the general assembly for the following reasons:

15 (1) Despite attempts at regulating campaign fund raising and spending, the current system
16 of financing election campaigns for these offices has failed to halt the growth of contributions and
17 expenditures;

18 (2) The existing system of financing political campaigns contributes to an erosion of
19 public confidence in the political system;

20 (3) The increasing sums raised and spent by candidates lead to the belief that money, not
21 issues and policies, is the major factor determining the outcome of elections;

22 (4) The extensive contributions that candidates receive from lobbyists and other
23 representatives of special interests cause voters to believe that elected officials represent special
24 interest contributors rather than their constituents and the general public;

25 (5) The lack of confidence in turn fuels voter apathy and alienation;

26 (6) In addition to restoring confidence in the electoral process, public financing frees the
27 candidate from the task of having to spend an inordinate time seeking campaign funds.

28 (b) The general assembly finds and declares that this public financing of elections act, by
29 providing a public finance system for Rhode Island state primary and general elections, would
30 enhance democracy in the following principal ways:

31 (1) It would strengthen public confidence in the governmental and election processes;

32 (2) It would lessen the pressures of special interest campaign contributions on public
33 officials in Rhode Island state government;

34 (3) It would lessen the impact of wealth as a determinant of whether a person becomes a

1 candidate;

2 (4) It would foster more meaningful participation by small contributors in the political
3 process;

4 (5) It would provide candidates who participate in the program with a competitive level
5 of resources for reaching voters;

6 (6) It would help restore the core first amendment value of open and robust debate in the
7 political process;

8 (7) It would increase the accountability of elected officials to their constituents;

9 (8) It would reduce the pressure on candidates to raise campaign money and would allow
10 officeholders more time to carry out their official duties.

11 (c) It is declared to be in the public interest and to be the policy of the state to establish a
12 voluntary state-funded system to finance election campaigns as defined in sections 17-25.1-26
13 through 17-25.1-40. This system will be known as the “public financing of elections campaign
14 funding system.”

15 (d) It is declared to be in the public interest and to be the policy of the state to require all
16 candidates for public office who elect not to participate in the “public financing of elections
17 campaign funding system” to report private contributions received and expenditures of private
18 campaign contributions made to aid or promote the nomination, election, or defeat of all
19 candidates for public office.

20 (e) It is further declared that candidates for public office who participate in one of the two
21 (2) systems, the “public financing of elections campaign funding system” or the private financing
22 system, are ineligible to participate in the other system except as permitted herein.

23 **17-25.1-3. Definitions. -- As used in this chapter, unless a different meaning clearly**
24 **appears from the context, the following terms have the meanings ascribed to them in this section:**

25 (1) "Business entity" means any corporation, whether for profit or not for profit, domestic
26 corporation or foreign corporation, as defined in § 71.1-2, financial institution, cooperative,
27 association, receivership, trust, holding company, firm, joint stock company, public utility, sole
28 proprietorship, partnership, limited partnership, or any other entity recognized by the laws of the
29 United States and/or the state of Rhode Island for the purpose of doing business. The term
30 "business entity" shall not include a political action committee organized pursuant to this chapter
31 or a political party committee or an authorized campaign committee of a candidate or office
32 holder.

33 (2) "Candidate" means any individual who undertakes any action, whether preliminary or
34 final, under either the voluntary public financing of elections campaign funding system or the

1 private campaign funding system, which is necessary under the law to qualify for nomination for
2 election or election to public office, and/or any individual who receives a contribution or makes
3 an expenditure, under either the voluntary public financing of elections campaign funding system
4 or the private campaign funding system, or gives his or her consent for any other person to
5 receive a contribution or make an expenditure, with a view to bringing about his or her
6 nomination or election to any public office, whether or not the specific public office for which he
7 or she will seek nomination or election is known at the time the contribution is received or the
8 expenditure is made and whether or not he or she has announced his or her candidacy or filed a
9 declaration of candidacy at that time.

10 (A) In relation to the party affiliation of candidates:

11 (i) A “party candidate” is a candidate in a primary election or a candidate who has been
12 nominated through a party primary or who has been nominated or endorsed by a party in an
13 uncontested primary.

14 (ii) An “independent candidate” is a candidate who does not run in a primary or is not
15 nominated by a party.

16 (B) In relation to the participation of candidates in the public financing of elections
17 campaign funding system or the private funding system:

18 (i) “Nonparticipating candidate” means a candidate for representative or senator in the
19 general assembly or for general office who has not satisfied the requirements for receiving public
20 financing of elections funding.

21 (ii) “Participating Candidate” means a candidate for representative or senator in the
22 general assembly or for general office who qualifies for public financing of elections campaign
23 funding.

24 (C) In relation to the declaration of candidates to participate in the public financing of
25 elections campaign funding system or the private funding system:

26 (i) “Declared candidate” means the candidate has filed a signed declaration of his or her
27 candidacy not later than 4:00 p.m. on the last day for the filing with the secretary of state for
28 congressional and statewide general offices, or with the local board of the place of the candidate's
29 voting residence for general assembly, or state committee or senatorial and representative district
30 committee or with the appropriate local board for local officers.

31 (ii) “Undeclared candidate” means the candidate has failed to file a signed declaration of
32 his or her candidacy by 4:00 p.m. on the last day for the filing with the secretary of state for
33 congressional and statewide general offices, or with the local board of the place of the candidate's
34 voting residence for general assembly, or state committee or senatorial and representative district

1 committee or with the appropriate local board for local officers.

2 (3) "Campaign Period" specified for public financing of elections candidates shall
3 include the following terms:

4 (A) "Exploratory Period" is the period beginning the day following the previous general
5 election for the office sought and ending on the last day of the qualifying period. The exploratory
6 period is the period during which candidates who wish to become eligible for public financing of
7 elections funding for the next elections are permitted to raise and spend a limited amount of
8 private Seed Money for the purpose of testing their ability to run and of qualifying for public
9 financing of elections funding.

10 (B) "Qualifying Period" is the period beginning on the first day of August in the year
11 preceding an election year that includes statewide elections, and is the period beginning on the
12 first day of January of an election year that does not include statewide elections. The qualifying
13 period ends thirty (30) days before the day of the primary election during any election cycle. The
14 qualifying period is the period in which candidates are permitted to collect qualifying
15 contributions to become eligible for public financing of elections funding.

16 (C) "Primary Election Campaign Period" is the period beginning ninety (90) days before
17 the primary election and ending on the day of the primary election.

18 (D) "General Election Campaign Period" is the period beginning the day after the
19 primary election and ending on the day of the general election.

20 (E) "Special Election Primary Campaign Period" is the period beginning the day after a
21 vacancy in office and ending on the day of the special election primary, as designated under
22 section 17-15-3.

23 (F) "Special Election General Campaign Period" is the period beginning the day after the
24 special election primary and ending on the day of the special election, as designated under
25 section 17-3-6.

26 (4) "Contributions" include all transfers of money, payments, pledges, gifts, guarantees of
27 loans, paid personal services, or other thing of value to or by any candidate, candidate committee,
28 committee of a political party, political party, or political action committee. A loan shall be
29 considered a contribution of money until it is repaid. Disbursements from the public financing of
30 elections fund to a candidate or a candidate committee are not considered a contribution.
31 Volunteer activity does not constitute a contribution. In relation to the public financing of
32 elections campaign funding system:

33 (A) A "Qualifying Contribution" is a contribution of five dollars (\$5) that is made by an
34 individual eligible to vote and residing within the election district and is received during the

1 qualifying period by a candidate seeking to become eligible for clean election funding.

2 (B) "Seed Money Contribution" is a contribution of no more than one hundred dollars
3 (\$100) made by an individual during the exploratory period.

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

7 (6) "Election cycle" means the twenty-four (24) month period commencing on January 1
8 of odd number years and ending on December 31 of even number years; provided, with respect to
9 the public financing using public financing of elections campaign funds of election campaigns of
10 general officers under 17-25.1-28 through 17-25.1-40, "election cycle" means the forty-eight (48)
11 month period commencing on January 1 of odd numbered years and ending December 31 of even
12 numbered years.

13 (7) The term "expenditures" includes all transfers of money, purchases, payments,
14 distributions, loans, advances, deposits, paid personal services, or other thing of value given to
15 any person, including any candidate, candidate committee, committee of a political party,
16 political party, or political action committee. Expenditures also include the gift of money by any
17 person for the purpose of expressly advocating the election or defeat of a candidate or supporting
18 or opposing a ballot issue or ballot question.

19 (8) (A) The term "electioneering communication" means any communication broadcast
20 by television or radio, printed in a newspaper or on a billboard, directly mailed or delivered by
21 hand to personal residences, or otherwise distributed that:

22 (i) refers to any candidate; and

23 (ii) is broadcast, printed, mailed, delivered, or distributed within thirty (30) days of a
24 primary election or sixty (60) days before a general election; and

25 (iii) is broadcast to, printed in a newspaper, distributed to, mailed to, delivered by hand
26 to, or otherwise distributed to an audience that includes members of the electorate for such public
27 office.

28 (B) The term "electioneering communication" does not include:

29 (i) any news articles, editorial endorsements, opinion or commentary, writings, or letters
30 to the editor printed in a newspaper, magazine or other periodical not owned or controlled by a
31 candidate or political party;

32 (ii) any editorial endorsements or opinions aired by a broadcast facility not owned or
33 controlled by a candidate or political party;

34 (iii) any communication by persons made in the regular course and scope of their

1 business or any communication made by a membership organization solely to members of such
2 organization and their families.

3 (C) The term “express advocacy” is an expenditure made by a person or group that
4 explicitly advocates the election or defeat of a candidate, including all costs of designing,
5 producing, or disseminating a communication that contains phrases such as “vote for”, “re-elect”,
6 “support”, “cast your ballot for”, “[name of candidate] for [name of office]”, “[name of
7 candidate] in [year]”, “vote against”, “defeat”, “reject”, or similar phrases.

8 (D) The term “independent expenditures” includes any funds spent on express advocacy
9 or electioneering communications that are not coordinated with any candidate’s campaign.

10 (9) “Opposing funds” are funds spent opposing a participating candidate’s campaign.
11 The amount of opposing funds is calculated by totaling the contributions received by the
12 nonparticipating candidate opponent with the highest total of contributions received and
13 supportive independent expenditures. While initial disbursements from the public financing of
14 elections fund to participating candidates are counted as contributions, matching funds as defined
15 in section 17-25.1-10 do not count for purposes of determining opposing funds. No independent
16 expenditure may be counted as both opposing a participating candidate and in support of that
17 candidate’s opponent.

18 (10) "Other thing of value" means any item of tangible real or personal property of a fair
19 market value in excess of one hundred dollars (\$100).

20 (11) "Paid personal services" means personal services of every kind and nature, the cost
21 or consideration for which is paid or provided by someone other than the committee or
22 nonparticipating candidate for whom the services are rendered, but shall not include personal
23 services provided without compensation by persons volunteering their time.

24 (12) "Person" means an individual, partnership, committee, association, corporation, and
25 any other organization.

26 (13) "Political action committee" means any group of two (2) or more persons that
27 accepts any contributions to be used for advocating the election or defeat of any candidate or
28 candidates or to be used for advocating the approval or rejection of any question or questions
29 submitted to the voters. Only political action committees that have accepted contributions from
30 fifteen (15) or more persons in amounts of ten dollars (\$10.00) or more within an election cycle
31 shall be permitted to make contributions, and those committees must make contributions to at
32 least five (5) candidates for state or local office within an election cycle.

33 (14) "Public office" means any state, municipal, school, or district office or other position
34 that is filled by popular election, except political party offices. "Political party offices" means any

1 state, city, town, ward, or representative or senatorial district committee office of a political party
2 or delegate to a political party convention, or any similar office.

3 (15) "State" means state of Rhode Island.

4 (16) "Testimonial affair" means an affair of any kind or nature including, but not limited
5 to, cocktail parties, breakfasts, luncheons, dinners, dances, picnics, or similar affairs expressly
6 and directly intended to raise campaign funds in behalf of a candidate to be used for nomination
7 or election to a public office in this state, or expressly and directly intended to raise funds in
8 behalf of any state or municipal committee of a political party, or expressly and directly intended
9 to raise funds in behalf of any political action committee.

10 **17-25.1-4. Applicability.** -- The provisions of this chapter shall apply in any primary,
11 general, or special election or town meeting for any public office of the state, municipality, or
12 district or for the determination of any question submitted to the voters of the state, municipality,
13 or district; provided, however, the public financing of elections provisions of this chapter shall
14 apply only to candidates for the general assembly or for general office.

15 **17-25.1-5. Duties and powers of the board of elections.** -- (a) The board of elections is
16 authorized to perform any duties that are necessary to implement the provisions of this chapter.
17 Without limiting the generality of this provision, the board is authorized and empowered to:

18 (1) Develop forms for the making of the required reports to be filed with the board of
19 elections, which form shall contain a notice setting forth the times and dates when reports are
20 required to be filed;

21 (2) Prepare and publish a manual for all candidates, political party committees, and
22 political action committees prescribing the requirements of the law, including uniform methods of
23 bookkeeping and reporting and requirements as to the length of time that any person required to
24 keep any records pursuant to the provisions of this chapter shall retain these records, or any class
25 or category of records, or any other documents;

26 (3) Adopt rules and regulations to carry out the purposes of this chapter;

27 (4) Prepare and make available for public inspection, through the office of the board of
28 elections, summaries of all reports grouped according to participating candidates,
29 nonparticipating candidates, political parties, political action committees, and groups advocating
30 the passage or defeat of referenda;

31 (5) Prepare and publish, prior to May 1 or as soon as practicable thereafter of each year,
32 an annual report to the general assembly;

33 (6) Ascertain whether participating candidates or nonparticipating candidates or political
34 party committees, or political action committees, or groups advocating the passage or defeat of

1 referenda have failed to file reports or have filed defective reports; and may for good cause shown
2 extend the dates upon which reports are required to be filed;

3 (7) Conduct confidential investigations and/or closed hearings in accordance with this
4 title relative to alleged violations of this chapter either on its own initiative or upon receipt of a
5 verified written complaint, which complaint shall, under pain and penalty of perjury, be based
6 upon actual knowledge and not merely on information and belief. Upon completion of its
7 investigation and/or hearings, if the board has reason to believe that a violation of this chapter has
8 occurred or that a complainant has willfully sworn or affirmed falsely, the chairperson of the
9 board of elections is authorized to and shall issue to the person found to be in violation of this
10 chapter a summons pursuant to § 12-7-11 to appear before the division of the district court where
11 the person resides and shall be prosecuted by the attorney general. Any action taken by the board
12 as a result of a written verified complaint shall, whenever possible, be completed no later than
13 five (5) business days after its receipt, and if no violation is found to exist, all records and papers
14 shall be kept confidential unless further legal proceedings are instituted.

15 (ii) The confidentiality of an audit, investigation, hearing, and/or findings may be waived
16 in writing only by the person or persons complained of or audited. However, once an audit is
17 complete and presented to the board, the audit will be a matter of public record.

18 (8) Conduct compliance reviews and audits of campaign accounts as necessary, and in a
19 manner consistent with the provisions of this chapter.

20 (b) The board of elections shall take any steps that may be necessary or appropriate to
21 furnish timely and adequate information, both in appropriate printed summaries and in any other
22 form that it may see fit, to every candidate or prospective candidate for public office who
23 becomes or is likely to become subject to the provisions of this chapter, and to every treasurer
24 duly designated under the provisions of this chapter, informing them of their actual or prospective
25 obligations and responsibilities under this chapter. Any such timely and accurate information
26 produced in printed summaries shall be duplicated exactly on the official website of the Rhode
27 Island board of elections.

28 (c) (1) The board of elections is authorized, upon written request, to render written
29 advisory opinions as to whether a given set of facts and circumstances set forth in the request
30 would constitute a violation of any of the provisions of this chapter, or whether a given set of
31 facts and circumstances set forth in the request would render any person subject to any of the
32 reporting requirements of this chapter; provided, that the requirement for a written opinion may
33 be voluntarily waived by the candidate or committee.

34 (2) Unless an extension of time is consented to by any person who submits a written

1 request for an advisory opinion, the board of elections shall, whenever possible, render its written
2 advisory opinion within five (5) business days of receipt of the request.

3 (d) (1) For each quarterly report required to be filed, the board shall send a postcard by
4 regular mail to each person and entity required to file a report, which will notify the person or
5 entity that a report required to be filed is due within fourteen (14) days.

6 (2) The failure to receive this notice shall not absolve the person or entity of the reporting
7 requirements contained in this chapter.

8 **17-25.1-6. Manual of legal requirements.** -- The board of elections shall prepare and
9 publish a manual prescribing the requirements of the law, and the secretary of state shall have
10 copies of the manual available for individuals filing candidacy papers.

11 **17-25.1-7. Contents of reports to be filed by treasurers of candidates and**
12 **committees.** – (a) Each campaign treasurer of each candidate, participating candidate,
13 nonparticipating candidate, each state and municipal committee of a political party, and each
14 political action committee shall keep accurate records and make a full report, upon a form
15 prescribed by the board of elections, of all contributions received by it in excess of a total of one
16 hundred dollars (\$100) from any one source within a calendar year, in furtherance of the
17 nomination, election, or defeat of any candidate or the approval or rejection of any question
18 submitted to the voters during the period from the date of the last report, or in the case of the
19 initial report, beginning on the date of the appointment of the campaign treasurer for state and
20 municipal committees and political action committees and on the date a person becomes a
21 "candidate", as defined in 17-25.1-3(2) for individual candidates. The report shall contain the
22 name and address and place of employment of each person or source from whom the
23 contributions in excess of one hundred dollars (\$100) were received, and the amount contributed
24 by each person or source. The report shall be filed with the board of elections on the dates
25 designated in 17-25.1-18. The campaign treasurer of the candidate, or committee reporting, shall
26 certify to the correctness of each report.

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

33 (c) Any report filed pursuant to the provisions of this section shall include contributions
34 received from any "testimonial affair", as defined in 17-25.1-3, held since the date of the most

1 recent report filed.

2 **17-25.1-8. Personal use of campaign funds prohibited** -- (a) The personal use by any
3 elected public office holder or by any candidate, participating candidate, or nonparticipating
4 candidate for public office, as defined in 17-25.1-3, of campaign funds or of public funds is
5 prohibited. For the purposes of this section, "personal use" is defined as any use other than
6 expenditures related to gaining or holding public office and for which the candidate for public
7 office or elected public official would be required to treat the amount of the expenditure as gross
8 income under § 61 of the Internal Revenue Code of 1986, 26 U.S.C. § 61, or any subsequent
9 corresponding Internal Revenue Code of the United States, as from time to time amended.

10 (b) Expenditures that are specifically prohibited under this chapter include:

11 (1) Any residential or household items, supplies or expenditures, including mortgage, rent
12 or utility payments for any part of any personal residence of a candidate or officeholder or a
13 member of the candidate's or officeholder's family;

14 (2) Mortgage, rent, or utility payments for any part of any non-residential property that is
15 owned by a candidate or officeholder or a member of a candidate's or officeholder's family and
16 used for campaign purposes, to the extent the payments exceed the fair market value of the
17 property usage;

18 (3) Funeral, cremation, or burial expenses, including any expenses related to deaths
19 within a candidate's or officeholder's family;

20 (4) Clothing, other than items of de minimis value that are used in the campaign;

21 (5) Tuition payments;

22 (6) Dues, fees, or gratuities at a country club, health club, recreational facility or other
23 nonpolitical organization, unless they are part of a specific fundraising event that takes place on
24 the organization's premises;

25 (7) Salary payments to a member of a candidate's family, unless the family member is
26 providing bona fide services to the campaign. If a family member provides bona fide services to a
27 campaign, any salary payments in excess of the fair market value of the services provided is
28 personal use;

29 (8) Admission to a sporting event, concert, theater, or other form of entertainment, unless
30 part of a specific campaign or officeholder activity;

31 (9) Payment of any fines, fees, or penalties assessed pursuant to this chapter.

32 (c) Any expense that results from campaign or officeholder activity is permitted use of
33 campaign funds. Such expenditures may include:

34 (1) The defrayal of ordinary and necessary expenses of a candidate or officeholder;

1 (2) Office expenses and equipment, provided the expenditures and the use of the
2 equipment can be directly attributable to the campaign or the officeholder's duties and
3 responsibilities;

4 (3) Donations to charitable organizations, provided the candidate or officeholder does not
5 personally benefit from the donation or receive compensation from the recipient organization;

6 (4) Travel expenses for an officeholder, provided that the travel is undertaken as an
7 ordinary and necessary expense of seeking, holding, or maintaining public office, or seeking,
8 holding, or maintaining a position within the legislature or other publicly elected body. If a
9 candidate or officeholder uses campaign funds to pay expenses associated with travel that
10 involves both personal activities and campaign or officeholder activities, the incremental
11 expenses that result from the personal activities are personal use, unless the person(s) benefiting
12 from this use reimburse(s) the campaign account within thirty (30) days for the amount of the
13 incremental expenses;

14 (5) Gifts of nominal value and donations of a nominal amount made on a special occasion
15 such as a holiday, graduation, marriage, retirement or death, unless made to a member of the
16 candidate's or officeholder's family;

17 (6) Meal expenses which are incurred as part of a campaign activity or as apart of a
18 function that is related to the candidate's or officeholder's responsibilities, including meals
19 between and among candidates and/or officeholders that are incurred as an ordinary and
20 necessary expense of seeking, holding, or maintaining public office, or seeking holding, or
21 maintaining a position within the legislature or other publicly elected body;

22 (7) Food and beverages which are purchased as part of a campaign or officeholder
23 activity.

24 (d) Any campaign funds not used to pay for the expenses of gaining or holding public
25 office may:

26 (1) Be maintained in a campaign account(s);

27 (2) Be donated to a candidate for public office, to a political organization, or to a political
28 action committee, subject to the limitation on contributions in 17-25.1-17;

29 (3) Be transferred in whole or in part into a newly established political action committee;

30 (4) Be donated to a tax exempt charitable organization as that term is used in § 501(c)(3)
31 of the Internal Revenue Code of 1986, 26 U.S.C. § 501, or any subsequent corresponding internal
32 revenue code of the United States as from time to time amended;

33 (5) Be donated to the state of Rhode Island; or

34 (6) Be returned to the donor.

1 **17-25.1-9. Testimonial proceeds intended for personal use prohibited.** -- It is
2 unlawful for any candidate for public office, as defined in 17-25.1-3, or any elected public office
3 holder to accept the proceeds of any testimonial, as defined in 17-25.1-3, for personal use, as
4 defined in 17-25.1-8, which were received after January 1, 2010. Nothing in this section shall be
5 construed to prohibit the use of testimonials for the lawful purpose of raising campaign funds.

6 **17-25.10. Limitations on repayment of loans.** -- Campaign contributions received
7 pursuant to this chapter shall not be used to repay cumulative personal loans that were made on or
8 after January 1, 2010, to a campaign by a candidate in excess of two hundred thousand dollars
9 (\$200,000) during an election cycle.

10 **17-25.1-11. Electronic reporting – Declaration of purpose.** -- The State of Rhode
11 Island is committed to facilitating public access to reports of campaign contributions and
12 expenditures by candidates for public office and other entities required to file campaign finance
13 reports.

14 **17-25.1-12. Electronic reporting** -- (a) The filing of campaign finance reports to the
15 board of elections shall commence in accordance with the following schedule:

16 (1) Candidates for general office shall commence filing campaign finance reports
17 electronically beginning with the report required to be filed for the first quarterly reporting period
18 in 2002.

19 (2) All other candidates for public office and political parties, other than state political
20 parties, shall commence filing campaign finance reports electronically beginning with the first
21 quarterly reporting period in 2010; provided, that all candidates may commence filing campaign
22 finance reports electronically beginning with the first report required to be filed for the first
23 quarterly reporting period in 2010.

24 (3) State political parties, political action committees and vendors required to file
25 campaign finance reports shall do so commencing with the first report required to be filed for the
26 first quarterly reporting period in 2010.

27 (b) Notwithstanding the provisions in subdivision (a)(2) of this section, any candidate
28 who raises or expends more than five thousand dollars (\$5,000) annually, or whose report shows
29 a balance of five thousand dollars (\$5,000) or more in his or her campaign fund as of December
30 31st of the previous year, shall file his or her campaign finance reports electronically.

31 (c) The board of elections shall have the authority to adopt regulations to implement and
32 administer the provisions of this section.

33 (d) Notwithstanding anything else in this section and subject to the implementation of an
34 electronic reporting and tracking system, the board of elections shall have the authority to delay

1 implementation of the requirements of this section by up to ninety (90) days.

2 (e) The provisions of this section apply to all candidates, regardless of which campaign
3 financing system they elect to join.

4 **17-25.1-13. Appointment of campaign treasurer by candidate – Filings. --** (a) Each
5 candidate in an election, regardless of which campaign financing system they elect to join, shall
6 file a "notice of organization" with the board of elections and appoint one campaign treasurer
7 before receiving any contribution or expending any money in furtherance or aid of the candidate's
8 candidacy. The "notice of organization" shall include the name and address of the candidate, the
9 campaign treasurer and the committee being established.

10 (b) A candidate may appoint deputy campaign treasurers as required. The candidate shall
11 file the names and addresses of deputy campaign treasurers with the board of elections.

12 (c) A candidate may remove a campaign treasurer or deputy campaign treasurer. In the
13 case of the death, resignation, or removal of a campaign treasurer, the candidate shall appoint a
14 successor as soon as practicable and shall file his or her name and address with the board of
15 elections within ten (10) days. A candidate may serve as his or her own campaign treasurer, and
16 upon failure to designate a treasurer, the candidate shall be designated his or her own treasurer by
17 the board of elections.

18 **17-25.1-14. Appointment of treasurer by political action committee – Filings. --** (a)
19 Each political action committee shall appoint one campaign treasurer before receiving any
20 contribution or expending any money for the purpose of advocating the election or defeat of any
21 candidate or the approval or rejection of any question.

22 (b) A campaign treasurer of a political action committee may appoint deputy campaign
23 treasurers as may be required. The committees shall file the names and addresses of the deputy
24 campaign treasurers with the board of elections.

25 (c) Any political action committee may remove at any time its campaign treasurer. In the
26 case of the death, resignation, or removal of its campaign treasurer, any committee shall appoint a
27 successor as soon as practicable and shall file his or her name and address with the board of
28 elections within ten (10) days.

29 **17-25.1-15. Designation of campaign treasurer of political party committees –**
30 **Filings. –** (a) Each state and municipal committee of a political party shall, on or before January
31 31 of each year, designate a campaign treasurer and shall file the name and address of that person
32 with the board of elections.

33 (b) A campaign treasurer of the state or municipal committee of a political party may
34 appoint deputy campaign treasurers as may be required. The committees shall file the names and

1 addresses of the deputy campaign treasurers with the board of elections.

2 (c) Any state or municipal committee of a political party may remove at any time its
3 campaign treasurer. In the case of the death, resignation, or removal of its campaign treasurer,
4 any committee shall appoint a successor as soon as practicable and file his or her name and
5 address with the board of elections within ten (10) days.

6 **17-25.1-16. Lawful methods of contributing to support of candidates – Reporting –**
7 **Disposition of anonymous contributions. --**

8 (a) No contribution shall be made or received, and no expenditures shall be directly made
9 or incurred, to support or defeat a candidate or to advocate the approval or rejection of any
10 question in any election except through:

11 (1) The duly appointed campaign treasurer, or deputy campaign treasurers, of the
12 candidates, regardless of which campaign financing system they elect to join;

13 (2) The duly appointed campaign treasurer or deputy campaign treasurers of a political
14 party committee;

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

17 (b) It shall be lawful for any person, not otherwise prohibited by law and not acting in
18 concert with any other person or group, to expend personally from that person's own funds a sum
19 which is not to be repaid to him or her for any purpose not prohibited by law to support or defeat
20 a candidate or to advocate the approval or rejection of any question; provided, that any person
21 making the expenditure shall be required to report all of his or her expenditures and expenses, if
22 the total of the money so expended exceeds one hundred dollars (\$100) within a calendar year, to
23 the board of elections within seven (7) days of making the expenditure and to the campaign
24 treasurer of the candidate or political party committee on whose behalf the expenditure or
25 contribution was made, or to his or her deputy, within seven (7) days of making the expenditure,
26 who shall cause the expenditures and expenses to be included in his or her reports to the board of
27 elections. Whether a person is "acting in concert with any other person or group" for the purposes
28 of this subsection shall be determined by application of the standards set forth in 17-25.1-23.

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

32 **17-25.1-17. Political contributions – Limitations. --** (a) (1) No person, other than the
33 candidate to his or her own campaign, nor any political action committee shall make a
34 contribution or contributions to any candidate, as defined by 17-25.1-3, or political action

1 committee or political party committee which in the aggregate exceed one thousand dollars
2 (\$1,000) within a calendar year, nor shall any person make contributions to more than one state or
3 local candidate, to more than one political action committee, or to more than one political party
4 committee, or to a combination of state and local candidates and political action committees and
5 political party committees which in the aggregate exceed ten thousand dollars (\$10,000) within a
6 calendar year, nor shall any political action committee make such contributions which in the
7 aggregate exceed twenty-five thousand dollars (\$25,000) within a calendar year, nor shall any
8 candidate or any political action committee or any political party committee accept a contribution
9 or contributions which in the aggregate exceed one thousand dollars (\$1,000) within a calendar
10 year from any one person or political action committee.

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

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

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

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

27 (e) Nothing in this section shall be construed to restrict political party committees
28 organized pursuant to this title from making contributions to the candidates of that political party;
29 provided, that these contributions, other than allowable "in-kind" contributions, shall not exceed,
30 in the aggregate, twenty-five thousand dollars (\$25,000) to any one candidate within a calendar
31 year, nor shall any candidate accept a contribution or contributions, other than allowable "in-
32 kind" contributions, which in the aggregate exceed twenty-five thousand dollars (\$25,000) within
33 a calendar year from all committees of his or her political party. There shall be no restriction on
34 the amount of "in-kind" contributions that a political party committee may make to a candidate of

1 its political party; provided, that for the purposes of this subsection only, the cost of any
2 preparation and airing of television and/or radio advertisements and the cost of any print
3 advertisements shall not be considered an allowable "in-kind" contribution and shall be subject to
4 the aggregate limitation of twenty-five thousand dollars (\$25,000).

5 (f) (1) A contribution from an individual's dependent children, as defined in § 36-14-2,
6 shall be deemed a contribution from the individual for the purpose of determining whether
7 aggregate contributions exceed either the one hundred dollar (\$100) threshold for reporting
8 purposes or the one thousand dollar (\$1,000) maximum for contributions to a single candidate or
9 political action committee or the ten thousand dollar (\$10,000) maximum for contributing to all
10 candidates and political action committees within a calendar year.

11 (2) No dependent child shall contribute an amount which, when added to contributions
12 already made by that child's parent or legal guardian and by other dependent children of that
13 parent or legal guardian, exceed the one thousand dollar (\$1,000) maximum for contributions to a
14 single candidate or political action committee or exceed the ten thousand dollar (\$10,000)
15 maximum for contributions to all state or local candidates and political action committees within
16 a calendar year.

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

20 (h) (1) It shall be unlawful for any corporation, whether profit or non-profit, domestic
21 corporation or foreign corporation, as defined in § 7-1.1-2, or other business entity to make any
22 campaign contribution or expenditure, as defined in 17-25.1-3, to or for any candidate, political
23 action committee, or political party committee, or for any candidate, political action committee,
24 or political party committee to accept any campaign contribution or expenditure from a
25 corporation or other business entity. Any contribution made in the personal name of any
26 employee of a corporation or other business entity, for which the employee received or will
27 receive reimbursement from the corporation or other business entity, shall be considered as a
28 contribution by the corporation or other business entity, in violation of this section.

29 (2) The prohibition contained in paragraph (h)(1) shall not apply to a corporation or legal
30 entity that is:

31 (i) a preexisting corporation or legal entity that uses existing funds from its general
32 treasury or other general accounts to advocate the passage or defeat of a ballot
33 question;

34 (ii) a preexisting corporation or legal entity that solicits funds from its membership to

1 advocate the passage or defeat of a ballot question;
2 (iii) a preexisting legal entity that solicits funds from outside of its membership to
3 advocate the passage or defeat of a ballot question;
4 (iv) a corporation or legal entity formed for a purpose that includes
5 (3) Any voluntary payroll deduction and/or contribution made by employees of a
6 corporation or other business entity shall not be deemed a contribution of a corporation or other
7 business entity, notwithstanding that the contributions were sent to the recipient by the
8 corporation or other business entity.

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

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

22 **17-25.1-18. Dates for filing of reports by treasurers of all candidates or of**
23 **committees.** – (a) During the period between the appointment of the campaign treasurer for state
24 and municipal committees and political action committees, or in the case of an individual, the
25 date on which the individual becomes a "declared or undeclared candidate", as defined in 17-
26 25.1-3(2), except when the ninety (90) day reporting period ends less than forty (40) days prior to
27 an election, in which case the ninety (90) day report shall be included as part of the report
28 required to be filed on the twenty-eighth (28th) day next preceding the day of the primary,
29 general, or special election pursuant to subdivision (2) of this subsection, and the election, with
30 respect to which contributions are received or expenditures made by him or her in behalf of or in
31 opposition to a candidate or question, the campaign treasurer of a candidate, a political party
32 committee, or a political action committee shall file a report containing an account of
33 contributions received and expenditures made on behalf of or in opposition to a candidate or
34 question.

1 (1) At ninety (90) day intervals commencing on the date on which the individual first
2 becomes a candidate, as defined in 17-25.1-3(2);

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

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

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

14 (ii) The amount contributed by each person;

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

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

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

29 (c) Once the campaign treasurer certifies that the campaign fund has completed its
30 business and been dissolved, no contribution which is intended to defray expenditures incurred on
31 behalf of or in opposition to a candidate or to advocate the approval or rejection of any question
32 during the campaign can be accepted. Until the time that the campaign treasurer certifies that the
33 campaign fund has completed its business and been dissolved, the treasurer shall file reports
34 containing an account of contributions received and expenditures made at ninety (90) day

1 intervals commencing with the next quarterly report following the election; however, the time to
2 file under this subsection shall be no later than thirty (30) days following the ninety (90) day
3 period, except when the thirty (30) days filing deadline following the ninety (90) day reporting
4 period occurs less than twenty-eight (28) days before an election, in which case the report shall be
5 filed pursuant to the provisions of subdivisions (a)(1) and (2) of this section.

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

11 (2) However, even though the aggregate amount expended on behalf of the candidacy
12 does not exceed one thousand dollars (\$1,000), reports must be made listing the source and
13 amounts of all contributions in excess of a total of one hundred dollars (\$100) from any one
14 source within a calendar year. Even though the aggregate amount expended on behalf of the
15 candidacy does not exceed one thousand dollars (\$1,000) and no contribution from any one
16 source within a calendar year exceeds one hundred dollars (\$100), the report shall state the
17 aggregate amount of all contributions received. In addition, the report shall state the amount of
18 aggregate contributions that were from individuals, the amount from political action committees,
19 and the amount from political party committees.

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

25 (f) A campaign treasurer must file a report containing an account of contributions
26 received and expenditures made at the ninety (90) day intervals provided for in subsection (c) of
27 this section for any ninety (90) day period in which the campaign received contributions in excess
28 of a total of one hundred dollars (\$100) within a calendar year from any one source and/or made
29 expenditures in excess of one thousand dollars (\$1,000) within a calendar year; however, the time
30 to file under this subsection shall be no later than thirty (30) days following the ninety (90) day
31 period, except when the thirty (30) days filing deadline following the ninety (90) day reporting
32 period occurs less than twenty-eight (28) days before an election, in which case the report shall be
33 filed pursuant to the provisions of subdivisions (a) (1) and (2) of this section.

34 (g) The board of elections may, for good cause shown and upon the receipt of a written or

1 electronic request, grant a seven (7) day extension for filing a report; provided, that the request
2 must be received no later than the date upon which the report is due to be filed.

3 (2) Any person or entity required to file reports with the board of elections pursuant to
4 this section and who has not filed the report by the required date, unless granted an extension
5 pursuant to subdivision (1) of this subsection, shall be fined twenty-five dollars (\$25.00).
6 Notwithstanding any of the provisions of this section, the board of elections shall have the
7 authority to waive late filing fees for good cause shown.

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

15 **17-25.1-19. Preservation of candidate or committee records.** -- (a) For every report
16 filed after the effective date of this chapter, the campaign treasurer of each candidate, whether
17 participating or nonparticipating, seeking nomination for election or election to public office shall
18 maintain and preserve all records and supporting documentation for a period of four (4) years
19 from the filing date.

20 (b) For every report filed after the effective date of this chapter, the treasurer of each
21 political party committee and political action committee shall be required to maintain and
22 preserve all records in support of the committee reports filed pursuant to 17-25.1-18 for a period
23 of (4) years from the filing date.

24 **17-25.1-20. Prohibited contributions.** -- No contributions shall be made, and no
25 expenditure shall be made or incurred, whether anonymously, in a fictitious name, or by one
26 person or group in the name of another, to support or defeat a candidate in a primary, general, or
27 special election or to advocate the approval or rejection of any question. No treasurer or candidate
28 shall solicit or knowingly accept any contribution contrary to the provisions of this section.

29 **17-25.1-21. Penalties.** -- (a) Any person who willfully and knowingly violates the
30 provisions of this chapter shall, upon conviction, be guilty of a misdemeanor and shall be fined
31 not more than one thousand dollars (\$1,000) per violation.

32 (b) The state board may fine any person or entity who violates the provisions of this
33 chapter in an amount not more than one hundred dollars (\$100) per violation.

34 (c) Fines, fees and penalties imposed by the state board for violations of this chapter shall

1 be paid for by the candidate, officeholder or entity against whose campaign the fines, fees or
2 penalties have been levied. Fines, fees and penalties levied by the state board pursuant to this
3 chapter shall not be paid for from contributions or funds available in a campaign account.

4 **17-25.1-22. Maintenance of party organization. --** Any state or municipal committee of
5 any political party may receive and disburse moneys for the general purposes of maintaining the
6 organization during the whole or any part of the year.

7 **17-25.1-23. Political action committee – Notice of formation. --** (a) No political action
8 committee shall accept any contributions or make any expenditures prior to filing notice of its
9 organization with the board of elections. The notice shall contain:

10 (1) The name or names of any candidates whose election or defeat the committee intends
11 to advocate and/or the question or questions whose approval or rejection the committee intends to
12 advocate;

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

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

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

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

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

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

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

1 members of the labor organization contributing;

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

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

6 (d) The board of elections may reject the use by a political action committee of a name
7 which is misleading and/or does not accurately identify the membership or contributor base of the
8 committee.

9 (e) If a political action committee derives more than fifty percent (50%) of its funds from
10 the employees, officers, directors, investors, and/or stockholders of a corporation or other
11 business entity, the name of the political action committee must incorporate the name of that
12 corporation or business entity. If a political action committee derives more than fifty percent
13 (50%) of its funds from persons affiliated with one industry, profession, trade organization, or
14 association or labor union, the name of the political action committee must identify that industry,
15 profession, trade organization or association, or labor union.

16 (f) Notwithstanding any provision to the contrary, a political action committee organized
17 exclusively for the purpose of promoting or opposing a ballot question may expend in excess of
18 twenty-five thousand dollars (\$25,000) to promote or oppose that referendum, and shall not be
19 subject to the requirement of making contributions to at least five (5) candidates; and the political
20 action committee shall terminate all activity within thirty (30) days following that election.

21 **17-25.1-24. Enjoining of illegal acts – Forfeiture of contributions.** -- (a) Whenever the
22 board of elections has reason to believe that a candidate, political party committee, or political
23 action committee, or the campaign treasurer or deputy campaign treasurer of the candidate or
24 committee, has accepted a contribution or made an expenditure in violation of the provisions of
25 this chapter, or willfully and knowingly has made a false statement in any of the reports required
26 under this chapter or failed to file any report, or has otherwise violated this chapter, the board
27 may, in addition to all other actions authorized by law, request the attorney general to bring an
28 action in the name of the state of Rhode Island in the superior court against the person and/or
29 committee to enjoin them from continuing the violation, or doing any acts in furtherance of the
30 violation, and for any other relief that the court deems appropriate. In addition, the court may
31 order the forfeiture of any or all contributions accepted in violation of and/or not reported as
32 required by this chapter. All contributions so forfeited shall become the property of the state.

33 (b) The court shall also impose a civil penalty not exceeding three (3) times the amount
34 of:

- 1 (1) Contributions made or accepted in violation of this chapter;
- 2 (2) Expenditures made in violation of this chapter; and/or
- 3 (3) Contributions or expenditures not reported as required by this chapter.
- 4 (c) All funds collected pursuant to this section shall be deposited in the fund established
- 5 for the public financing of the electoral system pursuant to this chapter.

6 **17-25.1-25. Funds expended by person, committee of a political party, or political**
7 **action committee – Private expenditure. --** For the purposes of sections 17-25.1-38 and 17-
8 25.1-40 any funds expended by a person, committee of a political party, or political action
9 committee to directly influence the outcome of the electoral contest involving the candidate shall
10 be considered a contribution received by or an expenditure made by the candidate for general
11 office, or if one or more of the following relationships between the candidate and the person,
12 committee of a political party, or political action committee is present:

13 (1) There is any arrangement, coordination, or direction with respect to the expenditure
14 between the candidate or the candidate's agent and the person making the expenditure;

15 (2) In the same election cycle, the person making the expenditure, including any officer,
16 director, employee, or agent of the person, is or has been authorized to raise or expend funds on
17 behalf of the candidate or the candidate's authorized committees, or is or has been an officer of
18 the candidate's authorized committees, or is or has been receiving any form of compensation or
19 reimbursement from the candidate in the aggregate above one hundred dollars (\$100) in the same
20 election cycle, the candidate's authorized committees, or the candidate's agent;

21 (3) The person making the expenditure, including any officer, director, employee, or
22 agent of the person, has communicated with, advised, or counseled the candidate or the
23 candidate's agents at any point in the same election cycle on the candidate's plans, projects, or
24 needs relating to the candidate's pursuit of election to general office in the same election cycle,
25 including any advice relating to the candidate's decision to seek election to general office;

26 (4) The person making the expenditure retains the professional services of any individual
27 or person also providing those services in the aggregate above one hundred dollars (\$100) to the
28 candidate in connection with the candidate's pursuit of election to general office in the same
29 election cycle, including any services in the aggregate above one hundred dollars (\$100) relating
30 to the candidate's decision to seek election to general office;

31 (5) The person making the expenditure, including any officer, director, employer, or
32 agent of the person, has communicated or consulted at any time during the same election cycle
33 about the candidate's plans, projects, or needs relating to the candidate's pursuit of election to
34 general office, with:

1 (i) Any officer, director, employee, or agent of a party committee that has made or
2 intends to make expenditures or contributions, in connection with the candidate's campaign; or

3 (ii) Any person whose professional services have been retained by a political party
4 committee that has made or intends to make expenditures or contributions;

5 (6) The expenditure is based on information provided to the person making the
6 expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's
7 plans, projects, or needs; provided, that the candidate or the candidate's agents are aware that the
8 other person has made or is planning to make expenditures expressly advocating the candidate's
9 election; or

10 (7) The expenditure is made by a person with the intention of seeking or obtaining any
11 governmental benefit or consideration from the candidate by reason of the expenditure.

12 **17-25.1-26. Post-audit of accounts – Publication.** -- The board may conduct a post-
13 audit of all accounts and transactions for any election cycle and may conduct any other special
14 audits and post-audits that it may deem necessary. The board shall publish a summary of the
15 reports filed by candidates for the general assembly or general office pursuant to the public
16 financing provisions of this chapter on or before April 1 of the year following any year in which
17 elections are held for the general assembly or statewide elective office.

18 **17-25.1-27. Board of elections** -- Regulation and auditing of public matching fund
19 program. – In addition to all other powers and duties established by law, the board of elections is
20 empowered to adopt and enforce rules, regulations, and auditing procedures required to fulfill the
21 mandates of 17-25.1-29 – 17-25.1-40. The board is empowered, among other things, to:

22 (1) Ascertain whether any contributions to or expenditures for candidates for the general
23 assembly or general office have exceeded limits prescribed by 17-25.1-29 – 17-25.1-40.
24 Ascertain the amount and source of contributions received and expenditures made by all
25 candidates for the general assembly or general offices, whether or not the candidate chose to
26 participate in public financing.

27 (2) Issue advisory opinions upon its own initiative or upon application of any candidate.

28 (3) Conduct investigations and/or hearings relative to alleged violations of 17-25.1-29 –
29 17-25.1-40, either on its own initiative or upon receipt of a verified written complaint, which
30 complaint shall, under pain and penalty of perjury, be based upon actual knowledge and not
31 merely on information and belief.

32 (ii) Upon receipt of a verified written complaint, or upon receipt of evidence which is
33 deemed sufficient by the board, the board may initiate a preliminary investigation into any
34 alleged violation of 17-25.1-29 – 17-25.1-40. All board proceedings and records relating to a

1 preliminary investigation shall be confidential, except that the board may turn over to the attorney
2 general evidence that may be used in a criminal proceeding. The board shall notify any person
3 who is the subject of the preliminary investigation of the existence of the investigation and the
4 general nature of the alleged violation by certified or registered mail, return receipt requested,
5 within seven (7) days of the commencement of the investigation.

6 (iii) If a preliminary investigation fails to indicate reasonable cause for belief that 17-2.1-
7 29 – 17-25.1-40 have been violated, the board shall immediately terminate the investigation and
8 notify, in writing, the complainant, if any, and the person who had been the subject of the
9 investigation.

10 (iv) If a preliminary investigation indicates reasonable cause for belief that 17-25.1-29 –
11 17-25.1-40 have been violated, the board may, upon a majority vote, initiate a full investigation
12 and appropriate proceedings to determine whether there has been a violation.

13 (v) All testimony in board proceedings shall be under oath. All parties shall have the right
14 to call and examine witnesses, to introduce exhibits, to cross-examine witnesses who testify, to
15 submit evidence, and to be represented by counsel. Before testifying, all witnesses shall be given
16 a copy of the regulations governing board proceedings. All witnesses shall be entitled to be
17 represented by counsel.

18 (vi) Any person whose name is mentioned during a proceeding of the board and who may
19 be adversely affected by it may appear personally before the board on his or her own behalf or
20 file a written statement for incorporation into the record of the proceeding.

21 (vii) Within fourteen (14) days after the end of proceedings, the board shall meet in
22 executive session for the purpose of reviewing the evidence before it. Within thirty (30) days after
23 completion of deliberations, the board shall publish a written report of its findings and
24 conclusions.

25 (viii) Upon a finding that there has been a violation of 17-25.1-29 – 17-25.1-40 or any
26 other campaign finance law, the board may issue an order requiring the violator to:

27 (I) Cease and desist from the violation;

28 (II) File any report, statements or other information as required by this chapter; and/or

29 (III) Pay a civil fine for each violation of any section of this chapter in an amount
30 authorized by that section or, if no authorization exists, in amount not to exceed the greater of one
31 thousand dollars (\$1,000) or three (3) times the amount the violator failed to properly report or
32 unlawfully contributed, expended, gave, or received.

33 (b) The board may turn over to the attorney general any evidence that may be used in a
34 subsequent criminal proceeding against any violator.

1 (ix) The board may file a civil action in superior court to enforce an order issued by it
2 pursuant to this section.

3 (x) Any final action by the board made pursuant to this chapter shall be subject to review
4 in superior court upon petition of any interested person filed within thirty (30) days after the
5 action for which review is sought. The court shall enter a judgment enforcing, modifying, or
6 setting aside the order of the board, or it may remand the proceeding to the board for any further
7 action that the court may decide.

8 **17-25.1-28. Appropriations – Public Financing of Elections Fund. -- (a) There is**
9 hereby created a special, dedicated, non-lapsing public financing of elections fund for the purpose
10 of providing public financing for the election campaigns of certified participating candidates and
11 paying for the administrative and enforcement costs of the board of elections related to this act.
12 The public financing of elections fund shall receive any funds generated by the tax credit of
13 subsection 44-30-2(d), any fines assessed in connection with this act, any qualifying
14 contributions, any unspent funds of a participating candidate remaining after the election for
15 which the funds were distributed, any interest generated by the public financing of elections fund,
16 voluntary donations made to the public financing of elections fund, and an annual appropriation
17 of seven dollars (\$7) per resident of the state as calculated by the United States census bureau for
18 the year preceding the election, indexed for inflation. The public financing of elections fund shall
19 be deposited in a manner that will secure the highest rate of interest available consistent with the
20 safety of the sums and with the requirement that all sums on deposit be available for immediate
21 payment to eligible candidates at any time during the primary or general election campaign
22 periods.

23 (b) In the event the funds generated this section fail to produce sufficient money to meet
24 the requirements of the public financing of the electoral system as set forth in 17-25.1-29 – 17-
25 25.1-40 then funds sufficient to meet the levels of the public financing as set forth in this chapter
26 shall be supplied from the general fund of the state treasury. There is appropriated from the
27 general treasury those sums that may be necessary for carrying out the purposes of the public
28 financing of the electoral system, and an amount equal to the total of all maximum amounts of
29 matching public funds available to all party and independent candidates for general office
30 qualifying and electing to receive Public Financing of Elections Campaign Funds in an election
31 shall be transferred to the board of elections no later than September 1 of each election year and
32 deposited in a manner that will secure the highest rate of interest available consistent with the
33 safety of the sums and with the requirement that all sums on deposit be available for immediate
34 payment to eligible candidates at any time after the date of the primary election. The state

1 controller is authorized and directed to draw his or her orders upon the general treasurer for
2 transfer of all sums the board deems necessary to comply with this section. There shall also be
3 transferred to the board any additional sums that may be required until the permitted limits are
4 reached. The board shall account for all funds disbursed pursuant to this chapter.

5 **17-25.1-29. Public Financing of Elections Eligibility.** -- (a) A party candidate qualifies
6 as a participating candidate for the primary election campaign period by:

7 (1) filing a declaration with the board of elections stating that the candidate has complied
8 with and will continue complying with all of the requirements of this chapter for participating
9 candidates;

10 (2) qualifying for the primary ballot; and

11 (3) collecting the required number of qualifying contributions during the qualifying
12 period:

13 (i) Fifty (50) qualifying contributions for a candidate for representative;

14 (ii) One hundred (100) qualifying contributions for a candidate for senator;

15 (iii) Two thousand five hundred (2,500) qualifying contributions for a candidate for
16 governor; or

17 (iv) One thousand (1,000) qualifying contributions for a candidate for a general office
18 other than governor.

19 (v) Seventy-five percent (75%) of the number of qualifying contributions required by
20 relevant subdivisions (i) through (iv) of this subsection for a candidate for the same office in a
21 special election.

22 (b) (1) Each contributor of a qualifying contribution shall sign a receipt on a form
23 provided by the board of elections including the contributor's signature, printed name, home
24 address, and telephone number, and the name of the candidate on whose behalf the contribution is
25 made. In addition, the receipt shall state that the contributor understands that the purpose of the
26 qualifying contribution is to help the candidate qualify for public financing of elections funding
27 and that the contribution is made without coercion or reimbursement. The candidate receiving
28 the qualifying contribution shall submit a copy of the receipt to the board of elections.

29 (2) A contribution submitted as a qualifying contribution that does not include a signed
30 and fully completed receipt shall not be counted as a qualifying contribution.

31 (3) The candidate shall deposit all qualifying contributions, whether in the form of cash,
32 checks, or money orders in a campaign account.

33 (4) The candidate shall submit to the board of elections a single check for the total
34 amount of the qualifying contributions for deposit in the public financing of elections fund along

1 with all of the qualifying contribution receipts.

2 (c) A party candidate qualifies as a participating candidate for the general election
3 campaign period by qualifying as a participating candidate during the primary election campaign
4 period and by winning the primary election.

5 (d) An independent candidate qualifies as a participating candidate for both the primary
6 election campaign period and the general election campaign period by:

7 (1) filing a declaration with the board of elections stating that the candidate has complied
8 with and will continue complying with all of the requirements of this chapter for participating
9 candidates;

10 (2) qualifying for the general election ballot; and

11 (3) collecting the required number of qualifying contributions during the qualifying
12 period:

13 (a) Fifty (50) qualifying contributions for a candidate for representative;

14 (b) One hundred (100) qualifying contributions for a candidate for senator;

15 (c) Two thousand five hundred (2,500) qualifying contributions for a candidate for
16 governor; or

17 (d) One thousand (1,000) qualifying contributions for a candidate for a general office
18 other than governor

19 (e) Seventy-five percent (75%) of the number of qualifying contributions required by
20 relevant subdivisions (a) through (d) of this subsection for a candidate for the same office in a
21 special election.

22 **17-25.1-30. Contributions.--** (a) During the primary and general election campaign
23 periods, a participating candidate may accept only contributions from the participating
24 candidate's political party, seed money contributions, and qualifying contributions.

25 (b) A participating candidate who accepts any benefits during the primary election
26 campaign period shall comply with this requirement during the general election campaign period
27 regardless of whether the participating candidate accepts any benefits during the general election
28 campaign period.

29 (c) During the primary and general election campaign period, a participating candidate
30 shall not solicit or receive political contributions for any other candidate or for any political party
31 or other political committee.

32 (d) No person shall make a contribution in the name of another person.

33 (e) During the primary and general election campaign periods, a participating candidate
34 shall pay for all campaign expenditures, except petty cash expenditures, by means of a "public

1 financing of elections debit card” issued by the board of elections.

2 (f) Participating candidates and persons seeking to become participating candidates shall
3 furnish complete campaign records, including all records of seed money contributions and
4 qualifying contributions, to the Board of Elections at regular filing times and upon request by the
5 board of elections. All candidates must cooperate with any audit or examination by the board of
6 elections.

7 **17-25.1-31. Campaign accounts for participating candidates. --** (a) During an election
8 cycle, each participating candidate shall conduct all campaign financial activities through a single
9 campaign account.

10 (b) A participating candidate may maintain a campaign account other than the campaign
11 account described in paragraph (A) above if the other campaign account is for the purpose of
12 retiring a campaign debt that was incurred during a previous election campaign in which the
13 candidate was not a participating candidate.

14 (c) Contributions for the purposes of retiring a previous campaign debt that are deposited
15 in the kind of “other campaign account” described in paragraph (b) shall not be considered
16 contributions to the candidate’s current campaign.

17 (d) Participating candidates shall file reports of financial activity related to the current
18 election cycle separately from reports of financial activity related to previous election cycles.

19 **17-25.1-32. Seed Money. --**

20 (a) The only private contributions a candidate seeking to become eligible for public
21 financing of elections funding shall accept, other than qualifying contributions and limited
22 contributions from the candidate’s political party, are seed money contributions contributed by
23 individuals prior to the end of the qualifying period.

24 (b) A seed money contribution shall not exceed one hundred dollars (\$100) per donor,
25 and the aggregate amount of seed money contributions accepted by a candidate seeking to
26 become eligible for public financing of elections funding shall not exceed:

27 (1) Five hundred dollars (\$500) for a candidate running for representative;

28 (2) One thousand dollars (\$1,000) for a candidate running for senator;

29 (3) Ninety thousand dollars (\$90,000) for a candidate running for the office of governor;

30 or

31 (4) Thirty six thousand dollars (\$36,000) for a candidate running for general office other
32 than governor.

33 (c) Receipts for seed money contributions under twenty-five dollars (\$25) shall include
34 the contributor’s signature, printed name, and address. Receipts for seed money contributions of

1 twenty-five dollars (\$25) or more shall include the contributor's signature, printed name, street
2 address and zip code, telephone number, occupation, and name of employer. Candidates shall not
3 accept seed money contributions without receiving the required disclosure information.

4 (d) Seed money shall be spent only during the exploratory and qualifying periods. Seed
5 money shall not be spent during the primary or general election campaign periods, including the
6 portion of the primary election campaign period that is also part of the qualifying period.

7 (e) Candidates seeking to become participating candidates shall, upon submitting their
8 qualifying contributions to the board of elections or upon the beginning of the primary election
9 campaign period:

10 (1) Fully disclose to the board of elections all seed money contributions and expenditures
11 on a form provided by the board of elections; and

12 (2) Turn over to the board of elections for deposit in the public financing of elections
13 fund any seed money raised during the exploratory period that exceeds the aggregate seed money
14 limit.

15 **17-25.1-33. Use of Personal Funds.--** (a) Personal funds contributed as seed money by a
16 candidate seeking to become eligible as a participating candidate or adult members of the
17 candidate's family shall not exceed the maximum of one hundred dollar (\$100) per contributor.

18 (b) Personal funds shall not be used to meet the qualifying contribution requirement
19 except for one five dollar (\$5) contribution from the candidate.

20 **17-25.1-34. Campaign Advertisements. --** All cable, broadcast and print advertisements
21 placed by any candidates or their committees shall include a clear written or spoken statement
22 indicating that the candidate has approved of the contents of the advertisement.

23 **17-25.1-35. Certification.--**

24 (a) No more than five (5) days after a candidate applies for public financing of elections
25 benefits, the board of elections shall certify whether the candidate is eligible. If a participating
26 candidate violates the requirements of this act knowingly and willfully, the board of elections
27 shall revoke the candidate's eligibility and the candidate shall repay all public financing of
28 elections funds expended.

29 (b) The candidate's request for certification shall be signed by the candidate and the
30 candidate's campaign treasurer under penalty of perjury.

31 (c) The board of elections determination is final except that it is subject to examination
32 and audit by the auditor general and to an expedited review in Superior Court.

33 **17-25.1-36. Public Financing of Elections Benefits. --** (a) Participating candidates shall
34 receive public financing of elections funding from the board of elections for each election in the

1 amounts specified in section 17-25.1-37. This funding may be used to finance any campaign
2 expenses during the period for which it was allocated.

3 (b) No participating candidate shall spend any public financing of elections funds on
4 personal use, as defined by section 17-25.1-8.

5 (c) Participating candidate shall receive public financing of elections funding for the
6 primary election campaign period on the date on which the board of elections certifies the
7 candidate as a participating candidate or the first day of the primary election campaign period,
8 whichever is later.

9 (d) A participating candidate who is eligible for general election funding shall receive
10 Public Financing of Elections funding for the general election campaign period within forty-eight
11 (48) hours after certification of the primary election results. If the primary election results for
12 different parties are certified on different days, all participating candidates that are eligible for
13 general election funding shall receive general election funds within forty-eight (48) hours of the
14 last party's primary certification.

15 **17-25.1-37. Public Financing of Elections funding amounts. -- (1) For participating**
16 **candidates who are party candidates, the amount of public financing of elections funding in a**
17 **contested primary election is:**

18 (a) Six thousand dollars (\$6,000) for a candidate running for the office of representative;

19 (b) Twelve thousand dollars (\$12,000) for a candidate running for the office of senator;

20 (c) One million one hundred and twenty-five thousand dollars (\$1,125,000) for a
21 candidate running for the office of governor; and

22 (d) Four hundred and fifty thousand dollars (\$450,000) for a candidate running for
23 general office other than governor.

24 (2) The public financing of elections funding amount for a participating party candidate
25 in an uncontested primary election is twenty-five percent (25%) of the amount provided in a
26 contested primary election.

27 (3) When a party candidate files to be a participating candidate, the candidate may
28 declare an expectation that the general election will not be contested. A participating candidate in
29 a contested primary election that makes this declaration shall receive the general election public
30 financing of elections funding amount instead of the primary election public financing of
31 elections amount. During the general election campaign period, a participating candidate who
32 declared that the general election would not be contested shall be eligible only for the uncontested
33 general election public financing of elections amount, regardless of whether the general election
34 is in fact contested.

1 (4) In a contested general election in which a participating candidate is a party candidate,
2 if the participating candidate or all the candidates of that party that competed for nomination in
3 the primary election combined received at least twenty (20%) percent of the total number of votes
4 cast for all candidates seeking that office in the just-held primary election, or if the candidate of
5 the participating candidate's party received at least twenty (20) percent of the total vote in the
6 previous general election, the participating candidate shall receive the full amount of Public
7 Financing of Elections funding for the general election. The full amount of Public Financing of
8 Elections funding for the general election is:

9 (a) Nine thousand dollars (\$9,000) for a candidate for representative;

10 (b) Eighteen thousand dollars (\$18,000) for a candidate for senator;

11 (c) One million eight hundred and seventy-five thousand dollars (\$1,875,000) for a
12 candidate for governor; and

13 (d) Six hundred and seventy-five thousand (\$675,000) for a candidate for general office
14 other than governor.

15 (5) In a contested general election in which a participating candidate is a party candidate
16 who is not entitled to the full amount of Public Financing of Elections funding for the general
17 election under subparagraph (4), the participating candidate shall receive public funding based on
18 the higher of the ratio of the percentage of votes received in the primary election by candidates of
19 the participating candidate's party to twenty (20) percent or the ratio of the percentage of the vote
20 received by the nominee of the participating candidate's party in the previous general election to
21 twenty (20) percent.

22 (6) The Public Financing of Elections funding amount in an uncontested general election
23 is ten (10) percent of the amount provided for in a contested general election for the same office.

24 (b) (1) The Public Financing of Elections funding available for a participating
25 independent candidate during a primary election period is twenty-five (25) percent of the amount
26 received by a party candidate in a contested primary election.

27 (2) The Public Financing of Elections funding amount for a participating independent
28 candidate in the general election is the same as the full amount received by a participating party
29 candidate in the general election.

30 (c) The Public Financing of Elections funding available for a participating candidate
31 during a special election is seventy-five (75) percent of the amount received by a participating
32 candidate for the same office during the same campaign period under relevant subsections (a)
33 through (b) of § 17-25.1-37.

34 (d) For every election cycle after the first election cycle under this act, the board of

1 elections shall modify all Public Financing of Elections funding amounts based on the rate of
2 inflation or the cost-of-living (COLA) index as determined by the United States government
3 during a twenty-four (24) month period ending in the immediately preceding year.

4 **17-25.1-38. Matching Funds.** -- (a) A nonparticipating candidate shall file with the
5 board of elections a report, signed under penalty of perjury, within five days of when the
6 candidate's expenditures and obligations to make expenditures, or contributions received,
7 whichever is higher, exceeds eighty (80) percent of the Public Financing of Elections funding
8 amount received by any opponent. After the first such report, the nonparticipating candidate must
9 file an additional report within five days of whenever the aggregate unreported expenditures and
10 obligations or contributions exceed five percent of the Public Financing of Elections funding
11 amount of any opponent. Within twenty (20) days of the election, nonparticipating candidates
12 must report one percent increments within twenty-four (24) hours. All nonparticipating
13 candidates must file at least one report no later than twenty (20) days prior to the election, at least
14 one report within twenty (20) days but more than seven (7) days prior to the election, and at least
15 one report within seven (7) days but more than forty-eight (48) hours before the election.

16 (b) Any person expending or entering into an obligation to spend at least one hundred
17 dollars (\$100) on independent expenditures must file a report, signed under penalty of perjury,
18 listing the Independent expenditures, and itemizing the amounts spent or obligated and the
19 candidates supported or opposed, with the board of elections within five (5) days of the
20 expenditure. An additional report must be filed for every aggregate one hundred dollars (\$100)
21 spent or obligated. Independent expenditures within twenty (20) days of the election must be
22 reported within twenty-four (24) hours.

23 (c) Using the reports filed and any additional information available, the board of elections
24 shall track the opposing funds spent with regard to each participating candidate. When the
25 opposing funds exceed the Public Financing of Elections funds provided to the participating
26 candidate, the board of elections shall make additional Public Financing of Elections funds
27 available to the candidate to match the opposing funds. No participating candidate may receive
28 more than three hundred (300) percent of the initial allotment of Public Financing of Elections
29 funds, for a total of four hundred (400) percent of the initial Public Financing of Elections
30 allotment. Matching funds provided during the primary election campaign period do not count
31 against eligibility for matching funds during the general election campaign period. Matching
32 Funds shall be provided at an equal rate to participating candidates in a special election.

33 (d) Reckless or intentional failure by a candidate to file a required report or reckless or
34 intentional underreporting is punishable by a civil fine payable by the candidate from personal

1 funds of three (3) times the amount that was not reported. Should a nonparticipating candidate
2 fail to file a required report, any participating opponents shall be entitled to the maximum amount
3 of matching funds.

4 (e) The board of elections may reduce the amount of matching funds provided to a
5 participating candidate upon concluding that, due to a deliberate effort by any person to
6 manipulate the matching fund system, the opposing funds calculation does not accurately reflect
7 the opposition faced by the participating candidate. The board shall inform the participating
8 candidate of its reasoning in a detailed written statement and shall be subject to administrative or
9 judicial review.

10 **17-25.1-39. Administration and Dispersal of Money from the Fund.--** (a) Upon
11 determining that a candidate has met all the requirements for becoming a participating candidate
12 as provided for in this act, the board of elections shall issue to the candidate a “Public Financing
13 of Elections debit card” and a line of debit entitling the candidate and members of the candidate’s
14 staff to draw Public Financing of Elections funds from a board of elections account to pay for all
15 campaign costs and expenses up to the amount of Public Financing of Elections funding the
16 candidate has received.

17 (b) Neither a participating candidate nor any other person on behalf of a participating
18 candidate shall pay campaign costs by cash, check, money order, loan or by any other means
19 other than the Public Financing of Elections debit card, except for petty cash expenditures as
20 defined in paragraph (c).

21 (c) Cash amounts of one hundred dollars (\$100) or less per day may be drawn on the
22 Public Financing of Elections debit card and used to pay expenses of no more than twenty-five
23 dollars (\$25) each. Records of all such expenditures shall be maintained and reported to the
24 board of elections.

25 **17-25.1-40. Political Party Contributions and Expenditures.--** (a) Participating
26 candidates may accept monetary or in-kind contributions from political parties provided that the
27 aggregate amount of such contributions from all political party committees does not exceed the
28 equivalent of five (5) percent of the original Public Financing of Elections funding allotment for
29 that office for that election. These contributions and contributions under this aggregate amount to
30 nonparticipating candidates shall not be counted as opposing funds for any candidate. Additio nal
31 independent expenditures by political parties beyond the contributions provided for by this
32 section shall be counted towards opposing funds.

33 (b) Expenditures or contributions by a political party that are made to or on behalf of one
34 or more of the party’s candidates during the primary or general election campaign periods shall

1 be reported under the requirements of 17-25.1-38(b).

2 (c) Nothing in this act shall prevent political party funds from being used for: general
3 operating expenses of the party; conventions; nominating and endorsing candidates; identifying,
4 researching, and developing the party's position on issues; party platform activities; non-
5 candidate-specific voter registration; non-candidate-specific get-out-the-vote drives; travel
6 expenses for non-candidate party leaders and staff; and other non-candidate-specific party
7 building activities.

8 **17-25.1-41. Community antenna television – Rules and regulations.** -- The
9 administrator for the division of public utilities for the state of Rhode Island shall formulate rules
10 and regulations concerning the allocation of advertising time to be used by those candidates for
11 public office who are eligible to receive public funds and who comply in full with all eligible
12 criteria for receipt of the funds.

13 **17-25.1-42. Transition Rule.**-- During the first election cycle that occurs after the
14 effective
15 date of this act, as proscribed in 17-25.1-43, a candidate may be certified as a participating
16 candidate, notwithstanding the acceptance of contributions or making of expenditures from
17 private funds before the date of enactment that would, absent this section, disqualify the candidate
18 as participating, provided that:

19 (a) Any private funds accepted but not expended before the effective date of this Act
20 shall be:

- 21 (1) returned to the contributor;
- 22 (2) held in a special campaign account and used only for retiring a debt from a previous
23 campaign; or
- 24 (3) submitted to the board of elections for deposit in the Public Financing of Elections
25 fund.

26 **17-25.1-43. Implementation.** -- (a) Pursuant of the authorizations of section 17-25.1-5,
27 the Board of Elections, in collaboration with the Secretary of State, shall prepare all forms,
28 manuals, and other necessary measures for implementing the "Public Financing of Elections
29 Campaign Funding System." These materials shall be prepared for use one year prior to the
30 primary elections of the first set of elections held under the new system.

31 (b) This system shall first become effective for the General Assembly's election cycle of
32 2010 for all legislative elections. This system shall become effective for all primary, general, or
33 special elections for any public office of the state held under the jurisdiction of this bill following
34 the 2010 election cycle.

1 **17-25.1-44. Severability.** -- If any provision of this act or the application thereof to any
2 person or circumstances shall be held invalid, such invalidity shall not affect other provisions or
3 applications of the act, which can be given effect without the invalid provision or application, and
4 to this end the provisions of the act are declared to be severable.

5 SECTION 3. This act shall take effect on January 1, 2010.

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

- 1 This act would change the current partial-matching system of public funding of elections
2 by creating a voluntary system for full public financing of statewide and legislative elections.
3 This act would take effect upon January 1, 2010.

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LC00890
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