

2009 -- H 5570

LC01867

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2009

A N A C T

RELATING TO ELECTIONS

Introduced By: Representatives Handy, Naughton, Jacquard, and Walsh

Date Introduced: February 25, 2009

Referred To: House Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 17-25-7.2 of the General Laws in Chapter 17-25 entitled "Rhode
2 Island Campaign Contributions and Expenditures Reporting" is hereby amended to read as
3 follows:

4 **17-25-7.2. Personal use of campaign funds prohibited.** -- (a) The personal use by any
5 elected public office holder or by any candidate for public office, as defined in section 17-25-3, of
6 campaign funds contributed after April 29, 1992, is prohibited. For the purposes of this section,
7 "personal use" is defined as any use other than expenditures related to gaining or holding public
8 office and for which the candidate for public office or elected public official would be required to
9 treat the amount of the expenditure as gross income under section 61 of the Internal Revenue
10 Code of 1986, 26 U.S.C. section 61, or any subsequent corresponding Internal Revenue Code of
11 the United States, as from time to time amended.

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

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

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

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

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

4 (5) Tuition payments;

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

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

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

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

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

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

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

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

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

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

34 (6) Meal expenses which are incurred as part of a campaign activity or as a part of a

1 function that is related to the candidate's or officeholder's responsibilities, including meals
2 between and among candidates and/or officeholders that are incurred as an ordinary and
3 necessary expense of seeking, holding, or maintaining public office, or seeking holding, or
4 maintaining a position within the legislature or other publicly elected body;

5 (7) Food and beverages which are purchased as part of a campaign or officeholder
6 activity- ;

7 (8) Communication access expenses which are incurred as part of a campaign activity
8 and operation to ensure that deaf and hard of hearing citizens are fully participating, are
9 volunteers, and/or are otherwise maintaining a position with the campaign committee. Examples
10 of communication access expenses include, but are not limited to, the following: captioning on
11 television advertisements; video clips; sign language interpreters; computer aided real time
12 (CART) services; and assistive learning devices.

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

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

16 (2) Be donated to a candidate for public office, to a political organization, or to a
17 political action committee, subject to the limitation on contributions in section 17-25-10.1;

18 (3) Be transferred in whole or in part into a newly established political action committee
19 or ballot question advocate;

20 (4) Be donated to a tax exempt charitable organization as that term is used in section
21 501(c)(3) of the Internal Revenue Code of 1986, 26 U.S.C. section 501, or any subsequent
22 corresponding internal revenue code of the United States as from time to time amended;

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

24 (6) Be returned to the donor.

25 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO ELECTIONS

- 1 This act would identify and include communication access expenses to ensure
- 2 participation by deaf and hard of hearing individuals as a permitted use of campaign funds.
- 3 This act would take effect upon passage.

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