

101ST GENERAL ASSEMBLY State of Illinois 2019 and 2020 SB4017

Introduced 1/4/2021, by Sen. Dan McConchie - John F. Curran - Dale A. Righter - Jil Tracy, Paul Schimpf, et al.

SYNOPSIS AS INTRODUCED:

5 ILCS 420/3A-50 new 10 ILCS 5/1A-14 10 ILCS 5/9-1.8 10 ILCS 5/9-3.5 new 10 ILCS 5/9-8.5 25 ILCS 170/11.4 new

from Ch. 46, par. 1A-14 from Ch. 46, par. 9-1.8

Amends the Election Code. Prohibits a member of the State Board of Elections from contributing to a political committee, serving as an officer of a political committee, or being a candidate supported by a candidate political committee. Provides options for the person to remedy the violation. Requires a person who is in violation on the effective date of the amendatory Act to come into compliance within 30 days after the effective date of the amendatory Act. Defines a "limited activity committee" to mean a political committee for which a person who is nominated to a position that is subject to confirmation by the Senate, including a member of the State Board of Elections, or a person registered as a lobbyist under the Lobbyist Registration Act is either an officer or a candidate the committee has designated to support. Prohibits a limited activity committee from accepting contributions, except that the person who is either an officer or a candidate the committee has designated to support may contribute personal funds in order to pay maintenance expenses. Provides that a limited activity committee may only make specified expenditures. Amends the Illinois Governmental Ethics Act and the Lobbyist Registration Act. Prohibits an appointee subject to Senate confirmation and a registered lobbyist from serving as an officer of a candidate political committee in which the person is the designated candidate or being a candidate supported by a candidate political committee. Provides options for the person to remedy the violation. Requires a person who is in violation on the effective date of the amendatory Act to come into compliance within 30 days after the effective date of the amendatory Act. Effective immediately.

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1 AN ACT concerning elections.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Illinois Governmental Ethics Act is amended by adding Section 3A-50 as follows:
- 6 (5 ILCS 420/3A-50 new)

Sec. 3A-50. Political activity. No person appointment requires the advice and consent of the Senate shall: (1) serve as an officer of a candidate political committee; or (2) be a candidate who is designated as the candidate to be supported by a candidate political committee. A person whose appointment requires the advice and consent of the Senate who is either an officer of a candidate political committee or a candidate who is designated as the candidate to be supported by a candidate political committee shall within 30 days after confirmation by the Senate: (i) resign as an officer of the candidate political committee; (ii) have his or her name removed as the candidate to be supported by a candidate political committee; (iii) notify the State Board of Elections of the person's intent to convert the candidate political committee to a limited activity committee under Section 9-1.8 of the Election Code and complete the transition to a limited activity committee within 60 days after confirmation; or (iv)

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- dissolve the candidate political committee. A person whose 1 2 appointment requires the advice and consent of the Senate who 3 is in violation of this Section on the effective date of this amendatory Act of the 101st General Assembly must come into 4 5 compliance within 30 days after the effective date of this amendatory Act of the 101st General Assembly. As used in this 6 7 Section, "candidate political committee" has the meaning given to that term in Section 9-1.8 of the Election Code in which the 8 9 person subject to confirmation by the Senate is designated as the candidate to be supported by the candidate political 10 11 committee under Section 9-2 of the Code.
- Section 10. The Election Code is amended by changing Sections 1A-14, 9-1.8, and 9-8.5 and by adding Section 9-3.5 as follows:
- 15 (10 ILCS 5/1A-14) (from Ch. 46, par. 1A-14)
- Sec. 1A-14. <u>Political activity by the State Board of</u>
 17 Elections.
 - (a) No member of the State Board of Elections may become a candidate for nomination for, or election to, or accept appointment to or hold any other remunerative public office or public employment or any office in a political party.
- 22 (b) No member of the State Board of Elections shall: (1)
 23 contribute, either financially or in services or goods or any
 24 other way, to any political committee; (2) serve as an officer

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of any political committee; or (3) be a candidate who is designated as the candidate to be supported by a candidate political committee. A member of the State Board of Elections who is either an officer of a political committee or a candidate who is designated as the candidate to be supported by a candidate political committee shall within 30 days after confirmation by the Senate: (i) resign as an officer of the political committee; (ii) have his or her name removed as the candidate to be supported by a political committee; (iii) notify the Board of the member's intent to convert the political committee to a limited activity committee under Section 9-1.8, and complete the transition to a limited activity committee within 60 days after confirmation; or (iv) dissolve the committee. A member of the State Board of Elections who is in violation of this subsection (b) on the effective date of this amendatory Act of the 101st General Assembly must come into compliance within 30 days after the effective date of this amendatory Act of the 101st General Assembly. As used in this Section, "political committee" includes both the meaning provided in Section 9-1.8 of this Code and the meaning provided in 52 U.S.C. 30101. (c) Violation of any prohibition in this Section shall

disqualify a member of the Board and a vacancy is thereby created. A vacancy also exists upon the occurrence of any of the events enumerated in Section 25-2 of this Act as in the case of an elective office.

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1 (Source: P.A. 80-1178.)

- 2 (10 ILCS 5/9-1.8) (from Ch. 46, par. 9-1.8)
- 3 Sec. 9-1.8. Political committees.
- 4 (a) "Political committee" includes a candidate political committee, a political party committee, a political action committee, a ballot initiative committee, and an independent expenditure committee.
 - (b) "Candidate political committee" means the candidate himself or herself or any natural person, trust, partnership, corporation, or other organization or group of persons designated by the candidate that accepts contributions or makes expenditures during any 12-month period in an aggregate amount exceeding \$5,000 on behalf of the candidate.
 - (c) "Political party committee" means the State central committee of a political party, a county central committee of a political party, a legislative caucus committee, or a committee formed by a ward or township committeeperson of a political party. For purposes of this Article, a "legislative caucus committee" means a committee established for the purpose of electing candidates to the General Assembly by the person elected President of the Senate, Minority Leader of the Senate, Speaker of the House of Representatives, Minority Leader of the House of Representatives, or a committee established by 5 or more members of the same caucus of the Senate or 10 or more members of the same caucus of the House of Representatives.

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- (d) "Political action committee" means any natural person, trust, partnership, committee, association, corporation, or other organization or group of persons, other than a candidate, political party, candidate political committee, or political party committee, that accepts contributions or makes expenditures during any 12-month period in an aggregate amount exceeding \$5,000 on behalf of or in opposition to a candidate or candidates for public office. "Political action committee" includes any natural person, trust, partnership, committee, association, corporation, or other organization or group of persons, other than a candidate, political party, candidate political committee, or political party committee, that makes electioneering communications during any 12-month period in an aggregate amount exceeding \$5,000 related to any candidate or candidates for public office.
- (e) "Ballot initiative committee" means any natural partnership, committee, trust, association, person, corporation, or other organization or group of persons that accepts contributions or makes expenditures during any 12-month period in an aggregate amount exceeding \$5,000 in support of or in opposition to any question of public policy to be submitted to the electors. "Ballot initiative committee" includes any natural person, trust, partnership, committee, association, corporation, or other organization or group of persons that makes electioneering communications during any 12-month period in an aggregate amount exceeding \$5,000 related

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to any question of public policy to be submitted to the voters. The \$5,000 threshold applies to any contributions or expenditures received or made with the purpose of securing a place on the ballot for, advocating the defeat or passage of, or engaging in electioneering communication regarding the question of public policy, regardless of the method of initiation of the question of public policy and regardless of whether petitions have been circulated or filed with the appropriate office or whether the question has been adopted and certified by the governing body.

(f) "Independent expenditure committee" means any trust, partnership, committee, association, corporation, or other organization or group of persons formed for the exclusive purpose of making independent expenditures during any 12-month period in an aggregate amount exceeding \$5,000 in support of or in opposition to (i) the nomination for election, election, retention, or defeat of any public official or candidate or (ii) any question of public policy to be submitted to the electors. "Independent expenditure committee" also includes any trust, partnership, committee, association, corporation, other organization or group of persons that electioneering communications that are not made in connection, consultation, or concert with or at the request or suggestion of a public official or candidate, a public official's or candidate's designated political committee or campaign, or an agent or agents of the public official, candidate, or political

- committee or campaign during any 12-month period in an aggregate amount exceeding \$5,000 related to (i) the nomination for election, election, retention, or defeat of any public official or candidate or (ii) any question of public policy to
- 4 official or candidate or (ii) any question of public policy to
- 5 be submitted to the voters.
- 6 (g) "Limited activity committee" means a political
- 7 committee for which a person who is nominated to a position
- 8 that is subject to confirmation by the Senate, including a
- 9 member of the State Board of Elections, or a person registered
- 10 <u>as a lobbyist under the Lobbyist Registration Act is either an</u>
- officer or a candidate the committee has designated to support.
- 12 (Source: P.A. 100-1027, eff. 1-1-19.)
- 13 (10 ILCS 5/9-3.5 new)
- 14 Sec. 9-3.5. Candidate political committee restrictions.
- 15 (a) A person who is registered as a lobbyist under the
- 16 Lobbyist Registration Act or who is nominated to a position
- 17 that is subject to confirmation by the Senate shall not: (1)
- 18 serve as an officer of a candidate political committee that is
- 19 designated to support or oppose that person as a candidate; or
- 20 (2) be a candidate who is designated as the candidate to be
- 21 supported by a candidate political committee.
- 22 (b) Within 30 days after registering as a lobbyist under
- 23 the Lobbyist Registration Act or after confirmation by the
- 24 Senate, the person shall: (1) dissolve the candidate political
- committee; (2) resign as an officer of the candidate political

- 1 <u>committee</u>; (3) have his or her name removed as the candidate to
- 2 be supported by the candidate political committee; or (iv)
- 3 notify the Board of the person's intent to convert the
- 4 candidate political committee to a limited activity candidate
- 5 political committee.
- (10 ILCS 5/9-8.5)
- 7 Sec. 9-8.5. Limitations on campaign contributions.
- 8 (a) It is unlawful for a political committee to accept
- 9 contributions except as provided in this Section.
- 10 (b) During an election cycle, a candidate political
- 11 committee may not accept contributions with an aggregate value
- over the following: (i) \$5,000 from any individual, (ii)
- 13 \$10,000 from any corporation, labor organization, or
- 14 association, or (iii) \$50,000 from a candidate political
- 15 committee or political action committee. A candidate political
- 16 committee may accept contributions in any amount from a
- 17 political party committee except during an election cycle in
- 18 which the candidate seeks nomination at a primary election.
- 19 During an election cycle in which the candidate seeks
- 20 nomination at a primary election, a candidate political
- 21 committee may not accept contributions from political party
- committees with an aggregate value over the following: (i)
- 23 \$200,000 for a candidate political committee established to
- support a candidate seeking nomination to statewide office,
- 25 (ii) \$125,000 for a candidate political committee established

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to support a candidate seeking nomination to the Senate, the Supreme Court or Appellate Court in the First Judicial District, or an office elected by all voters in a county with 1,000,000 or more residents, (iii) \$75,000 for a candidate political committee established to support a candidate seeking nomination to the House of Representatives, the Supreme Court or Appellate Court for a Judicial District other than the First Judicial District, an office elected by all voters of a county of fewer than 1,000,000 residents, and municipal and county offices in Cook County other than those elected by all voters of Cook County, and (iv) \$50,000 for a candidate political committee established to support the nomination of a candidate any other office. A candidate political committee established to elect a candidate to the General Assembly may accept contributions from only one legislative committee. A candidate political committee may not accept contributions from a ballot initiative committee or from an independent expenditure committee.

(c) During an election cycle, a political party committee may not accept contributions with an aggregate value over the following: (i) \$10,000 from any individual, (ii) \$20,000 from any corporation, labor organization, or association, or (iii) \$50,000 from a political action committee. A political party committee may accept contributions in any amount from another political party committee or a candidate political committee, except as provided in subsection (c-5). Nothing in this Section

shall limit the amounts that may be transferred between a political party committee established under subsection (a) of Section 7-8 of this Code and an affiliated federal political committee established under the Federal Election Code by the same political party. A political party committee may not accept contributions from a ballot initiative committee or from an independent expenditure committee. A political party committee established by a legislative caucus may not accept contributions from another political party committee established by a legislative caucus.

(c-5) During the period beginning on the date candidates may begin circulating petitions for a primary election and ending on the day of the primary election, a political party committee may not accept contributions with an aggregate value over \$50,000 from a candidate political committee or political party committee. A political party committee may accept contributions in any amount from a candidate political committee or political party committee or political party committee if the political party committee receiving the contribution filed a statement of nonparticipation in the primary as provided in subsection (c-10). The Task Force on Campaign Finance Reform shall study and make recommendations on the provisions of this subsection to the Governor and General Assembly by September 30, 2012. This subsection becomes inoperative on July 1, 2013 and thereafter no longer applies.

(c-10) A political party committee that does not intend to

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make contributions to candidates to be nominated at a general primary election or consolidated primary election may file a Statement of Nonparticipation in a Primary Election with the Board. The Statement of Nonparticipation shall include a verification signed by the chairperson and treasurer of the committee that (i) the committee will not make contributions or coordinated expenditures in support of or opposition to a candidate or candidates to be nominated at the general primary election or consolidated primary election (select one) to be held on (insert date), (ii) the political party committee may accept unlimited contributions from candidate political committees and political party committees, provided that the political party committee does not make contributions to a candidate or candidates to be nominated at the primary election, and (iii) failure to abide by these requirements shall deem the political party committee in violation of this Article and subject the committee to a fine of no more than 150% of the total contributions or coordinated expenditures made by the committee in violation of this Article. This subsection becomes inoperative on July 1, 2013 and thereafter no longer applies.

(d) During an election cycle, a political action committee may not accept contributions with an aggregate value over the following: (i) \$10,000 from any individual, (ii) \$20,000 from any corporation, labor organization, political party committee, or association, or (iii) \$50,000 from a political

- 1 action committee or candidate political committee. A political
- 2 action committee may not accept contributions from a ballot
- 3 initiative committee or from an independent expenditure
- 4 committee.
- 5 (e) A ballot initiative committee may accept contributions
- 6 in any amount from any source, provided that the committee
- 7 files the document required by Section 9-3 of this Article and
- 8 files the disclosure reports required by the provisions of this
- 9 Article.

- 10 (e-5) An independent expenditure committee may accept
- 11 contributions in any amount from any source, provided that the
- 12 committee files the document required by Section 9-3 of this
- 13 Article and files the disclosure reports required by the
- 14 provisions of this Article.
- 15 <u>(e-10)</u> A limited activity committee shall not accept
- 16 contributions, except that the officer or a candidate the
- 17 committee has designated to support may contribute personal
- 18 funds in order to pay for maintenance expenses. A limited
- 19 activity committee may only make expenditures that are: (1)
- 20 necessary for maintenance of the committee; (2) for rent or
- lease payments until the end of the lease in effect at the time
- 22 the officer or candidate is confirmed by the Senate or
- 23 registered as a lobbyist under the Lobbyist Registration Act;
- 24 (3) contributions to 501(c)(3) charities; or (4) returning
- contributions to original contributors.
 - (f) Nothing in this Section shall prohibit a political

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- committee from dividing the proceeds of joint fundraising efforts; provided that no political committee may receive more than the limit from any one contributor, and provided that an independent expenditure committee may not conduct joint fundraising efforts with a candidate political committee or a political party committee.
 - (g) On January 1 of each odd-numbered year, the State Board of Elections shall adjust the amounts of the contribution limitations established in this Section for inflation as determined by the Consumer Price Index for All Urban Consumers as issued by the United States Department of Labor and rounded to the nearest \$100. The State Board shall publish this information on its official website.
 - (h) Self-funding candidates. If a public official, a candidate, or the public official's or candidate's immediate family contributes or loans to the public official's or candidate's political committee or to other political committees that transfer funds to the public official's or candidate's political committee or makes independent expenditures for the benefit of the public official's or candidate's campaign during the 12 months prior to an election in an aggregate amount of more than (i) \$250,000 for statewide office or (ii) \$100,000 for all other elective offices, then the public official or candidate shall file with the State Board of Elections, within one day, a Notification of Self-funding that shall detail each contribution or loan made

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by the public official, the candidate, or the public official's or candidate's immediate family. Within 2 business days after the filing of a Notification of Self-funding, the notification shall be posted on the Board's website and the Board shall give official notice of the filing to each candidate for the same office as the public official or candidate making the filing, including the public official or candidate filing the Notification of Self-funding. Notice shall be sent via first class mail to the candidate and the treasurer of the candidate's committee. Notice shall also be sent by e-mail to the candidate and the treasurer of the candidate's committee if the candidate and the treasurer, as applicable, have provided the Board with an e-mail address. Upon posting of the notice on the Board's website, all candidates for that office, including the public official or candidate who filed a Notification of Self-funding, shall be permitted to accept contributions in excess of any contribution limits imposed by subsection (b). If a public official or candidate filed a Notification of Self-funding during an election cycle that includes a general primary election or consolidated primary election and that public official or candidate is nominated, all candidates for that office, including the nominee who filed the notification of self-funding, shall be permitted to accept contributions in excess of any contribution limit imposed by subsection (b) for the subsequent election cycle. For the purposes of this subsection, "immediate family" means the spouse, parent, or

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1 child of a public official or candidate.

(h-5) If a natural person or independent expenditure committee makes independent expenditures in support of or in opposition to the campaign of a particular public official or candidate in an aggregate amount of more than (i) \$250,000 for statewide office or (ii) \$100,000 for all other elective offices in an election cycle, as reported in a written disclosure filed under subsection (a) of Section 9-8.6 or subsection (e-5) of Section 9-10, then the State Board of Elections shall, within 2 business days after the filing of the disclosure, post the disclosure on the Board's website and give official notice of the disclosure to each candidate for the same office as the public official or candidate for whose benefit or detriment the natural person or independent expenditure committee made independent expenditures. Upon posting of the notice on the Board's website, all candidates for that office in that election, including the public official or candidate for whose benefit or detriment the natural person independent expenditure committee made independent orexpenditures, shall be permitted to accept contributions in excess of any contribution limits imposed by subsection (b).

(h-10) If the State Board of Elections receives notification or determines that a natural person or persons, an independent expenditure committee or committees, or combination thereof has made independent expenditures in support of or in opposition to the campaign of a particular

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public official or candidate in an aggregate amount of more than (i) \$250,000 for statewide office or (ii) \$100,000 for all other elective offices in an election cycle, then the Board shall, within 2 business days after discovering the independent expenditures that, in the aggregate, exceed the threshold set forth in (i) and (ii) of this subsection, post notice of this fact on the Board's website and give official notice to each candidate for the same office as the public official or candidate for whose benefit or detriment the independent expenditures were made. Notice shall be sent via first class mail to the candidate and the treasurer of the candidate's committee. Notice shall also be sent by e-mail to the candidate and the treasurer of the candidate's committee if the candidate and the treasurer, as applicable, have provided the Board with an e-mail address. Upon posting of the notice on the Board's website, all candidates of that office in that election, including the public official or candidate for whose benefit or detriment the independent expenditures were made, may accept contributions in excess of any contribution limits imposed by subsection (b).

(i) For the purposes of this Section, a corporation, labor organization, association, or a political action committee established by a corporation, labor organization, or association may act as a conduit in facilitating the delivery to a political action committee of contributions made through dues, levies, or similar assessments and the political action

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committee may report the contributions in the aggregate, provided that: (i) contributions made through dues, levies, or similar assessments paid by any natural person, corporation, labor organization, or association in a calendar year may not exceed the limits set forth in this Section; corporation, labor organization, association, or a political action committee established by а corporation, organization, or association facilitating the delivery of maintains contributions list of natural а persons, corporations, labor organizations, and associations that paid the dues, levies, or similar assessments from which the contributions comprising the aggregate amount derive; and (iii) contributions made through dues, levies, or similar assessments paid by any natural person, corporation, labor organization, or association that exceed \$500 in a quarterly reporting period shall be itemized on the committee's quarterly report and may not be reported in the aggregate. A political action committee facilitating the delivery of contributions or receiving contributions shall disclose the amount. contributions made through dues delivered or received and the name of the corporation, labor organization, association, or political action committee delivering the contributions, if applicable. On January 1 of each odd-numbered year, the State Board of Elections shall adjust the amounts of the contribution limitations established in this subsection for inflation as determined by the Consumer Price Index for All Urban Consumers

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- as issued by the United States Department of Labor and rounded to the nearest \$100. The State Board shall publish this information on its official website.
- (i) A political committee that receives a contribution or 5 transfer in violation of this Section shall dispose of the contribution or transfer by returning the contribution or 6 7 transfer, or an amount equal to the contribution or transfer, 8 to the contributor or transferor or donating the contribution 9 or transfer, or an amount equal to the contribution or 10 transfer, to a charity. A contribution or transfer received in 11 violation of this Section that is not disposed of as provided 12 in this subsection within 30 days after the Board sends 13 notification to the political committee of the contribution by certified mail shall escheat to the General 14 15 Revenue Fund and the political committee shall be deemed in 16 violation of this Section and subject to a civil penalty not to 17 exceed 150% of the total amount of the contribution.
 - (k) For the purposes of this Section, "statewide office" means the Governor, Lieutenant Governor, Attorney General, Secretary of State, Comptroller, and Treasurer.
 - (1) This Section is repealed if and when the United States Supreme Court invalidates contribution limits on committees formed to assist candidates, political parties, corporations, associations, or labor organizations established by or pursuant to federal law.
- 26 (Source: P.A. 97-766, eff. 7-6-12; 98-115, eff. 7-29-13.)

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Section 15. The Lobbyist Registration Act is amended by adding Section 11.4 as follows:

(25 ILCS 170/11.4 new)

Sec. 11.4. Political activity. No person registered under this Act shall: (1) serve as an officer of a political committee; or (2) be a candidate who is designated as the candidate to be supported by a candidate political committee. A person registered under this Act who is either an officer of a political committee or a candidate who is designated as the candidate to be supported by a candidate political committee shall: (i) resign as an officer of the candidate political committee; (ii) have his or her name removed as the candidate to be supported by a candidate political committee within 30 days after confirmation by the Senate; (iii) notify the State Board of Elections of the person's intent to convert the candidate political committee to a limited activity committee pursuant to Section 9-1.8 of the Election Code within 30 days after registering under this Act and complete the transition to a limited activity committee within 60 days after registration; or (iv) dissolve the candidate political committee. A person registered under this Act who is in violation of this Section on the effective date of this amendatory Act of the 101st General Assembly must come into compliance within 30 days after the effective date of this amendatory Act of the 101st General

- 1 Assembly. As used in this Section, "political committee" has
- 2 the meaning given to that term in Section 9-1.8 of the Election
- 3 Code in which the person registered under this Act is
- 4 designated as the candidate to be supported by the candidate
- 5 political committee under Section 9-2 of the Code.
- 6 Section 99. Effective date. This Act takes effect upon
- 7 becoming law.