

# HB0649



## 102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB0649

Introduced 2/8/2021, by Rep. Denyse Stoneback

### SYNOPSIS AS INTRODUCED:

10 ILCS 5/9-8.10

Amends the Election Code. Provides that the terms and conditions of any loan or credit agreement from a political committee shall be set forth in a written agreement that shall be executed by the chair or treasurer of the political committee at the time of the loan or credit agreement. Effective immediately.

LRB102 04435 SMS 14453 b

A BILL FOR

1 AN ACT concerning elections.

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

4 Section 5. The Election Code is amended by changing  
5 Section 9-8.10 as follows:

6 (10 ILCS 5/9-8.10)

7 Sec. 9-8.10. Use of political committee and other  
8 reporting organization funds.

9 (a) A political committee shall not make expenditures:

10 (1) In violation of any law of the United States or of  
11 this State.

12 (2) Clearly in excess of the fair market value of the  
13 services, materials, facilities, or other things of value  
14 received in exchange.

15 (3) For satisfaction or repayment of any debts other  
16 than loans made to the committee or to the public official  
17 or candidate on behalf of the committee or repayment of  
18 goods and services purchased by the committee under a  
19 credit agreement. Nothing in this Section authorizes the  
20 use of campaign funds to repay personal loans. The  
21 repayments shall be made by check written to the person  
22 who made the loan or credit agreement. The terms and  
23 conditions of any loan or credit agreement to or from a

1 committee shall be set forth in a written agreement,  
2 including but not limited to the method and amount of  
3 repayment, that shall be executed by the chair or  
4 treasurer of the committee at the time of the loan or  
5 credit agreement. The loan or agreement shall also set  
6 forth the rate of interest for the loan, if any, which may  
7 not substantially exceed the prevailing market interest  
8 rate at the time the agreement is executed.

9 (4) For the satisfaction or repayment of any debts or  
10 for the payment of any expenses relating to a personal  
11 residence. Campaign funds may not be used as collateral  
12 for home mortgages.

13 (5) For clothing or personal laundry expenses, except  
14 clothing items rented by the public official or candidate  
15 for his or her own use exclusively for a specific  
16 campaign-related event, provided that committees may  
17 purchase costumes, novelty items, or other accessories  
18 worn primarily to advertise the candidacy.

19 (6) For the travel expenses of any person unless the  
20 travel is necessary for fulfillment of political,  
21 governmental, or public policy duties, activities, or  
22 purposes.

23 (7) For membership or club dues charged by  
24 organizations, clubs, or facilities that are primarily  
25 engaged in providing health, exercise, or recreational  
26 services; provided, however, that funds received under

1           this Article may be used to rent the clubs or facilities  
2           for a specific campaign-related event.

3           (8) In payment for anything of value or for  
4           reimbursement of any expenditure for which any person has  
5           been reimbursed by the State or any person. For purposes  
6           of this item (8), a per diem allowance is not a  
7           reimbursement.

8           (9) For the purchase of or installment payment for a  
9           motor vehicle unless the political committee can  
10          demonstrate that purchase of a motor vehicle is more  
11          cost-effective than leasing a motor vehicle as permitted  
12          under this item (9). A political committee may lease or  
13          purchase and insure, maintain, and repair a motor vehicle  
14          if the vehicle will be used primarily for campaign  
15          purposes or for the performance of governmental duties. A  
16          committee shall not make expenditures for use of the  
17          vehicle for non-campaign or non-governmental purposes.  
18          Persons using vehicles not purchased or leased by a  
19          political committee may be reimbursed for actual mileage  
20          for the use of the vehicle for campaign purposes or for the  
21          performance of governmental duties. The mileage  
22          reimbursements shall be made at a rate not to exceed the  
23          standard mileage rate method for computation of business  
24          expenses under the Internal Revenue Code.

25          (10) Directly for an individual's tuition or other  
26          educational expenses, except for governmental or political

1 purposes directly related to a candidate's or public  
2 official's duties and responsibilities.

3 (11) For payments to a public official or candidate or  
4 his or her family member unless for compensation for  
5 services actually rendered by that person. The provisions  
6 of this item (11) do not apply to expenditures by a  
7 political committee in an aggregate amount not exceeding  
8 the amount of funds reported to and certified by the State  
9 Board or county clerk as available as of June 30, 1998, in  
10 the semi-annual report of contributions and expenditures  
11 filed by the political committee for the period concluding  
12 June 30, 1998.

13 (b) The Board shall have the authority to investigate,  
14 upon receipt of a verified complaint, violations of the  
15 provisions of this Section. The Board may levy a fine on any  
16 person who knowingly makes expenditures in violation of this  
17 Section and on any person who knowingly makes a malicious and  
18 false accusation of a violation of this Section. The Board may  
19 act under this subsection only upon the affirmative vote of at  
20 least 5 of its members. The fine shall not exceed \$500 for each  
21 expenditure of \$500 or less and shall not exceed the amount of  
22 the expenditure plus \$500 for each expenditure greater than  
23 \$500. The Board shall also have the authority to render  
24 rulings and issue opinions relating to compliance with this  
25 Section.

26 (c) Nothing in this Section prohibits the expenditure of

1 funds of a political committee controlled by an officeholder  
2 or by a candidate to defray the customary and reasonable  
3 expenses of an officeholder in connection with the performance  
4 of governmental and public service functions.

5 (d) Nothing in this Section prohibits the funds of a  
6 political committee which is controlled by a person convicted  
7 of a violation of any of the offenses listed in subsection (a)  
8 of Section 10 of the Public Corruption Profit Forfeiture Act  
9 from being forfeited to the State under Section 15 of the  
10 Public Corruption Profit Forfeiture Act.

11 (Source: P.A. 100-1027, eff. 1-1-19.)

12 Section 99. Effective date. This Act takes effect upon  
13 becoming law.