

95TH GENERAL ASSEMBLY State of Illinois 2007 and 2008 HB3497

Introduced 2/28/2007, by Rep. Harry Osterman

SYNOPSIS AS INTRODUCED:

See Index

Amends the Election Code with respect to campaign finance. Limits a candidate to the establishment of one political committee; permits a General Assembly caucus leader to establish an additional caucus committee. Requires candidates, and permits political parties and General Assembly caucus leaders, to designate a single political committee to accept campaign contributions and regulates the manner of designation. Sets limits on the amount of campaign contributions an individual, a corporation, a labor organization, and an association may make to political committees of public office candidates, established political parties, political party committeeperson candidates, and legislative caucuses. Regulates the solicitation by corporations, labor organizations, and associations of employees and employee families for campaign contributions.

LRB095 11358 JAM 32122 b

FISCAL NOTE ACT MAY APPLY 1 AN ACT concerning elections.

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

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Section 5. The Election Code is amended by changing the heading of Article 9 and Sections 9-1, 9-1.4, and 9-1.5 and by adding Sections 9-1.16, 9-1.17, 9-1.18, 9-1.19, 9-1.20, 9-1.21, 9-1.22, 9-1.23, 9-1.24, 9-2.5, 9-2.7, 9-8.5, and 9-8.7
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- 8 as follows:
- 9 (10 ILCS 5/Art. 9 heading)
- 10 ARTICLE 9. DISCLOSURE AND REGULATION OF CAMPAIGN
- 11 CONTRIBUTIONS AND EXPENDITURES
- 12 (10 ILCS 5/9-1) (from Ch. 46, par. 9-1)
- 13 Sec. 9-1. As used in this Article, unless the context
- otherwise requires, the terms defined in Sections 9-1.1 through
- 9-1.24 9-1.13, have the respective meanings as defined in those
- 16 Sections.
- 17 (Source: P.A. 86-873.)
- 18 (10 ILCS 5/9-1.4) (from Ch. 46, par. 9-1.4)
- 19 Sec. 9-1.4. Contribution.
- 20 (A) "Contribution" means-
- 21 (1) a gift, subscription, donation, dues, loan,

advance, or deposit of money or anything of value, knowingly received in connection with the nomination for election, or election, or retention of any person to or in public office, in connection with the election of any person as ward or township committeeman in counties of 3,000,000 or more population, or in connection with any question of public policy;

- (1.5) a gift, subscription, donation, dues, loan, advance, deposit of money, or anything of value that constitutes an electioneering communication regardless of whether the communication is made in concert or cooperation with or at the request, suggestion, or knowledge of a candidate, a candidate's authorized local political committee, a State political committee, a political committee in support of or opposition to a question of public policy, or any of their agents;
- (2) the purchase of tickets for fund-raising events, including but not limited to dinners, luncheons, cocktail parties, and rallies made in connection with the nomination for election, or election, or retention of any person to or in public office, in connection with the election of any person as ward or township committeeman in counties of 3,000,000 or more population, or in connection with any question of public policy;
- (3) a transfer of funds between political committees;

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| 1 | (4) the services of an employee donated by an employer, |
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| 2 | in which case the contribution shall be listed in the name |
| 3 | of the employer, except that any individual services |
| 4 | provided voluntarily and without promise or expectation of |
| 5 | compensation from any source shall not be deemed a |
| 6 | contribution; and but |
| 7 | (5) any expenditure made in cooperation, consultation, |
| 8 | or concert with the committee, but |
| 9 | (6) (5) does not include |
| 10 | (a) the use of real or personal property and the |
| 11 | cost of invitations, food, and beverages, voluntarily |
| 12 | provided by an individual in rendering voluntary |
| 13 | personal services on the individual's residential |
| 14 | premises for candidate-related activities; provided |
| 15 | the value of the service provided does not exceed an |
| 16 | aggregate of \$150 in a reporting period; |
| 17 | (b) (blank). the sale of any food or beverage by a |
| 18 | vendor for use in a candidate's campaign at a charge |
| 19 | less than the normal comparable charge, if such charge |
| 20 | for use in a candidate's campaign is at least equal to |
| 21 | the cost of such food or beverage to the vendor. |
| 22 | (c) communications on any subject by a corporation |
| 23 | to its stockholders and executive or administrative |
| 24 | personnel and their families, by a labor organization |

to its members and their families, or by an association

to its members and their families;

| Τ | (a) voter registration and get-out-the-vote |
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| 2 | campaigns that make no mention of any clearly |
| 3 | identified candidate, public question, or political |
| 4 | party, or group or combination thereof; |
| 5 | (e) the establishment, administration, and |
| 6 | solicitation of contributions to a separate segregated |
| 7 | fund to be used for political purposes by a |
| 8 | corporation, labor organization, or association; or |
| 9 | (f) a secured loan of money by a national or State |
| 10 | bank or credit union made in accordance with the |
| 11 | applicable banking laws and regulations and in the |
| 12 | ordinary course of business; however, the use, |
| 13 | ownership, or control of any security for such a loan, |
| 14 | if provided by a person other than the candidate or his |
| 15 | or her committee, qualifies as a contribution. |
| 16 | (B) Interest or other investment income, earnings or |
| 17 | proceeds, and refunds or returns of all or part of a |
| 18 | committee's previous expenditures, shall not be considered |
| 19 | contributions for the purposes of Section 9-8.5 but shall be |
| 20 | listed with contributions on disclosure reports required by |
| 21 | this Article. |
| 22 | (Source: P.A. 94-645, eff. 8-22-05.) |
| 23 | (10 ILCS 5/9-1.5) (from Ch. 46, par. 9-1.5) |
| 24 | Sec. 9-1.5. Expenditure defined. |
| 25 | "Expenditure" means- |

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a payment, distribution, purchase, loan, advance, deposit, or gift of money or anything of value, in connection with the nomination for election, or retention of any person to or in public office, in connection with the election of any person as ward or township committeeman in counties of 3,000,000 or more population, or in connection with any question of public policy. "Expenditure" also includes a payment, distribution, purchase, loan, advance, deposit, or gift of money or anything of value that constitutes an electioneering communication regardless of whether the communication is made in concert or cooperation with or at the request, suggestion, or knowledge of a candidate, a candidate's authorized local political committee, a State political committee, a political committee in support of or opposition to a question of public policy, or any of their agents. However, expenditure does not include -

(a) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual in rendering voluntary personal services on the individual's residential premises for candidate-related activities; provided the value of the service provided does not exceed an aggregate of \$150 in a reporting period. ;

(b) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a

- 1 candidate's campaign is at least equal to the cost of such
- 2 <u>food or beverage to the vendor.</u>
- 3 (2) a transfer of funds between political committees.
- 4 (3) a payment for electioneering communications.
- 5 (Source: P.A. 93-574, eff. 8-21-03; 93-615, eff. 11-19-03;
- 6 93-847, eff. 7-30-04.)
- 7 (10 ILCS 5/9-1.16 new)
- 8 Sec. 9-1.16. Independent expenditure. "Independent
- 9 expenditure" means an expenditure by a person:
- 10 (a) expressly advocating the election or defeat of a
- 11 clearly identified candidate; and
- 12 (b) that is not made in cooperation, consultation, or
- concert with or at the request or suggestion or the candidate,
- 14 the candidate's authorized political committee or agents, or
- 15 agents thereof.
- 16 (10 ILCS 5/9-1.17 new)
- 17 Sec. 9-1.17. Clearly identified or identifiable. "Clearly
- 18 identified" or "clearly identifiable" means that:
- 19 (a) the name, voice, image, or likeness of a candidate
- 20 appears; or
- 21 (b) the identify of the candidate is apparent by
- 22 unambiguous reference.
- 23 (10 ILCS 5/9-1.18 new)

- Sec. 9-1.18. Regular election period. "Regular election period" means any of:
- (a) the period beginning on January 1 immediately following

 the date of the general election for the office to which a

 candidate seeks nomination or election and ending the day of

 the General primary election for that office;
- 7 (b) the period beginning on the day after the general
 8 primary election for the office to which the candidate seeks
 9 nomination or election and ending on the December 31 after the
 10 general election for that office;
- 11 <u>(c) the period beginning on the date on which a sitting</u>
 12 <u>judge declares for retention and ending 90 days after the</u>
 13 retention election.
- 14 (10 ILCS 5/9-1.19 new)
- 15 Sec. 9-1.19. Municipal election period. "Municipal 16 election period" means the period beginning on July 1 immediately following the date of the consolidated primary 17 18 election or consolidated election at which the office for which the candidate seeks nomination or election is filled and ending 19 20 on June 30 immediately preceding the date of the next 21 consolidated primary election for that office, unless the 22 office is not filled at the consolidated primary election, in 23 which instance candidates who will seek office in the next 24 upcoming consolidated election may begin a new municipal 25 election period the day after the consolidated primary election

and ending on the next June 30.

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2 (10 ILCS 5/9-1.20 new)
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- 3 Sec. 9-1.20. Labor organization. The term "labor
- 4 organization" means any organization of any kind or any agency
- 5 or employee representation committee or plan in which employees
- 6 participate and that exists for the purpose, in whole or in
- 7 part, of dealing with employers concerning grievances, labor
- 8 disputes, wages, rates of pay, hours of employment, or
- 9 conditions of work.
- 10 (10 ILCS 5/9-1.21 new)
- 11 Sec. 9-1.21. Corporation. The term "corporation" includes
- 12 <u>a limited liability company</u>, partnership, professional
- 13 practice, cooperative, or sole proprietorship, whether
- organized on a for-profit or non-profit basis.
- 15 (10 ILCS 5/9-1.22 new)
- Sec. 9-1.22. Association. The term "association" means any
- group, club, meeting, collective, membership organization,
- 18 collection of persons, any entity organized under Section 501
- or 527 of the Internal Revenue Code, or any other entity other
- 20 than a natural person, except that an association does not
- 21 include a political committee organized under this Article.
- 22 (10 ILCS 5/9-1.23 new)

- Sec. 9-1.23. Earmarked. The term "earmarked" means a 1 designation, instruction, or encumbrance, whether direct or 2 indirect, express or implied, oral or written, that results in 3 4 all or any part of a contribution or expenditure being made to, 5 or expended on behalf of, a clearly identified candidate a candidate's designated committee, or a committee in support of 6
- 7 or opposition to a public question.
- 8 (10 ILCS 5/9-1.24 new)
- Sec. 9-1.24. Conduit and intermediary. The terms "conduit" 9
- 10 and "intermediary" are interchangeable and mean any person who
- 11 receives a contribution earmarked by the contributor to be
- 12 forwarded or transmitted to another.
- 13 (10 ILCS 5/9-2.5 new)
- 14 Sec. 9-2.5. Single political committee.
- 15 (a) Except as provided by this Section, no public official
- or candidate for public office may establish more than one 16
- 17 political committee for each office that public official or
- 18 candidate occupies or is seeking.
- 19 (b) A public official with one or more pre-existing
- 20 committees bound by the limits of any subsection of Section
- 21 9-8.5 considering a candidacy for any office covered by the
- 22 limits of any different subsection of Section 9-8.5 must form a
- new committee, to be termed an exploratory committee. A 23
- 24 pre-existing committee created for the primary purpose of

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1 <u>aiding that candidate's election to other offices that ceases</u>

2 <u>all fundraising after the creation of an exploratory committee</u>

may transfer funds without limit to an exploratory committee.

Should the candidate decide against running for the new office,

fail to qualify for the ballot at the next election, or lose

the next election, any remaining funds held by the exploratory

committee shall be returned to contributors or donated to

charity, and the committee shall be closed, within 90 days.

(c) The public officials elected President of the Senate,

Minority Leader of the Senate, Speaker of the House of

Representatives, and Minority Leader of the House of

Representatives may each establish and operate one additional

political committee for the purpose of supporting the election

of candidates to the General Assembly. The committees provided

for in this subsection (c) shall not be considered established

by the President of the Senate, Minority Leader of the Senate,

Speaker of the House of Representatives, or Minority Leader of

the House of Representatives for purposes of Section 9-8.5.

19 (10 ILCS 5/9-2.7 new)

Sec. 9-2.7. Political committee designations.

(a) Candidate committees.

(1) Each candidate shall designate in writing one and only one political committee to serve as the political committee of the candidate. The designation shall be made no later than 15 days after becoming a candidate or

establishing the committee and shall be filed with the State Board of Election. Any committee so designated may, within 10 business days after notification of the designation, reject the designation. If a committee rejects a candidate designation, the committee must return to donors any funds raised as a result of the designation, and the candidate must create and designate a new committee within 5 business days after the rejection.

(2) The name of the designated committee shall include the name of the candidate who authorized the committee under paragraph (1). No political committee that is not an authorized candidate committee may include the full name of that candidate in its name.

(b) Party committees.

(1) Any political organization or party may designate in writing one and only one political committee to serve as the political committee of the party for elections to State or local office. The designation shall be made no later than 15 days after the effective date of this amendatory Act of the 95th General Assembly, or 15 days after formation of the committee, and shall be filed with the State Board of Election. The designation of a party committee may be changed only upon the replacement of the party chairman.

(2) The name of the designated committee shall include the name of the party that authorized the committee under

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paragraph (1). No political committee that is not an authorized party committee may include the full name of that party in its name.

(c) Caucus committees.

(1) The public officials elected President of the Senate, Minority Leader of the Senate, Speaker of the House of Representatives, and Minority Leader of the House of Representatives may each designate in writing one and only one political committee to serve as the political committee of his or her caucus. The designation shall be made no later than 15 days after the start of the General Assembly, and shall be filed with the State Board of Election. The designation of a caucus committee may not be changed, revoked, or altered until the start of the next General Assembly unless the person elected to the office authorized to designate the caucus committee also changes; the new leader may designate a new committee within 15 days after taking office. All contributions from all committees designated the caucus committee for a particular caucus made during a single election period shall be aggregated for the purposes of Section 9-8.5.

(2) The name of the designated committee shall include a clear and unambiguous reference to the caucus that authorized the committee under paragraph (1). No political committee that is not an authorized caucus committee may include the name of that caucus in its name.

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- (d) All designations, statements, and reports required to 1 2 be filed under this Section shall be filed with the Board. The 3 Board shall retain and make the designations, statements, and reports received under this Section available for public 4 5 inspection and copying in the same manner as statements of 6 organization.
- 7 (10 ILCS 5/9-8.5 new)
- 8 Sec. 9-8.5. Limitation on contributions.
- 9 (a) It shall be unlawful for any person to make 10 contributions to a political committee except as provided in 11 this Section.
- 12 (b) For political committees designated by a candidate for 13 legislative office:
 - (1) Natural persons may contribute no more than \$1,500 during any regular election period in which the candidate who designated the committee is seeking nomination or election.
 - (2) Political committees established by a State political party may contribute not more than \$20,000 during the regular election period that includes the general election in which the candidate who designated the committee is seeking election; provided that all committees established by a State political party, under State or federal law, shall be considered as one committee for the purpose of this Section.

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| 1 | (3) Political committees established by a partisan |
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| 2 | legislative caucus may contribute not more than \$20,000 |
| 3 | during any regular election period in which the candidate |
| 4 | who designated the committee is seeking nomination or |
| 5 | election. |
| 6 | (4) Any other political committee not designated or |
| 7 | controlled by the candidate may contribute no more than |
| 8 | \$5,000 during a regular election period in which the |
| 9 | candidate who designated the committee is seeking |
| 10 | nomination or election. |
| 11 | (5) A corporation, labor organization, or association |
| 12 | may contribute from its own treasuries no more than \$5,000 |
| 13 | during each election period. All contributions from |
| 14 | associated entities, including political committees for |
| 15 | which the corporation, labor organization, or association |
| 16 | is the sponsoring entity, shall be aggregated for the |
| 17 | purposes of this Section. |
| 18 | (c) For political committees designated by a candidate for |
| 19 | a local office or for ward or township committeeman in counties |
| 20 | of 3,000,000 or more population: |
| 21 | (1) Natural persons may contribute no more than \$1,500 |
| 22 | during any regular election period in which the candidate |
| 23 | who designated the committee is seeking nomination or |
| 24 | election. |

(2) The candidate may designate one and only one

political party whose political committees may contribute

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not more than \$10,000 during the regular election period that includes the general election in which the candidate who designated the committee is seeking election; provided that all committees established by the political party, under State or federal law, shall be considered as one committee for the purpose of this Section.

- (3) Any other political committee not designated or controlled by the candidate may contribute no more than \$5,000 during a regular election period in which the candidate who designated the committee is seeking nomination or election.
- (3.5) A corporation, labor organization, or association may contribute from its own treasuries no more than \$5,000 during each election period. All contributions from associated entities, including political committees for which the corporation, labor organization, or association is the sponsoring entity, shall be aggregated for the purposes of this Section.
- (4) Committees designated by one or more candidates for any office required to file a statement of economic interests with a county clerk may select to follow the municipal election calendar. Committees that select to follow the municipal election calendar must make that decision at least 18 months prior to the next consolidated primary election or within 30 days after creation. The selection to follow the municipal election calendar is

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| 1 | irrevocable. For committees that select to follow the |
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| 2 | municipal election calendar: |
| 3 | (A) Natural persons may contribute no more than |
| 4 | \$1,500 during any Municipal election period in which |
| 5 | the candidate who designated the committee is seeking |
| 6 | nomination or election. |
| 7 | (B) The candidate may designate one and only one |
| 8 | political party whose political committees may |
| 9 | contribute not more than \$10,000 during the regular |
| 10 | election period that includes the consolidated |
| 11 | election in which the candidate who designated the |
| 12 | committee is seeking election; provided that all |
| 13 | committees established by the political party, under |
| 14 | State or federal law, shall be considered as one |
| 15 | committee for the purpose of this Section. |
| 16 | (C) Any other political committee not designated |
| 17 | or controlled by the candidate may contribute no more |
| 18 | than \$5,000 during any municipal election period in |
| 19 | which the candidate who designated the committee is |
| 20 | seeking nomination or election. |
| 21 | (D) A corporation, labor organization, or |
| 22 | association may contribute from its own treasuries no |
| 23 | more than \$5,000 during each election period. All |
| 24 | contributions from associated entities, including |
| 25 | political committees for which the corporation, labor |
| 26 | organization, or association is the sponsoring entity, |

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| 1 | shall be aggregated for the purposes of this Section. |
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| 2 | (d) For political committees designated by a candidate for |
| 3 | State office, other than for legislative or statewide office: |
| 4 | (1) Natural persons may contribute no more than \$1,500 |
| 5 | during any regular election period in which the candidate |
| 6 | who designated the committee is seeking nomination, |
| 7 | election, or retention. |
| 8 | (2) The candidate may designate one and only one |
| 9 | political party whose political committees may contribute |
| 10 | not more than \$10,000 during the regular election period |
| 11 | that includes the general election in which the candidate |
| 12 | who designated the committee is seeking election; provided |
| 13 | that all committees established by the political party, |
| 14 | under State or federal law, shall be considered as one |
| 15 | committee for the purpose of this Section. |
| 16 | (3) Any other political committee not designated or |
| 17 | controlled by the candidate may contribute no more than |
| 18 | \$5,000 during a regular election period in which the |
| 19 | candidate who designated the committee is seeking |
| 20 | nomination, election, or retention. |
| 21 | (4) A corporation, labor organization, or association |
| 22 | may contribute from its own treasuries no more than \$5,000 |
| 23 | during each election period. All contributions from |
| 24 | associated entities, including political committees for |

which the corporation, labor organization, or association

is the sponsoring entity, shall be aggregated for the

| 1 | purposes of this Section. |
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| 2 | (e) For political committees designated by a candidate for |
| 3 | statewide office: |
| 4 | (1) Natural persons may contribute no more than \$3,000 |
| 5 | during any regular election period. |
| 6 | (2) The candidate may designate one and only one |
| 7 | political party whose political committees may contribute |
| 8 | not more than \$125,000 during the regular election period |
| 9 | that includes the general election in which the candidate |
| 10 | who designated the committee is seeking election; provided |
| 11 | that all committees established by the political party, |
| 12 | under State or federal law, shall be considered as one |
| 13 | committee for the purpose of this Section. |
| 14 | (3) Any other political committee not designated or |
| 15 | controlled by the candidate may contribute no more than |
| 16 | \$5,000 during a regular election period. |
| 17 | (4) A corporation, labor organization, or association |
| 18 | may contribute from its own treasuries no more than \$5,000 |
| 19 | during each election period. All contributions from |
| 20 | associated entities, including political committees for |
| 21 | which the corporation, labor organization, or association |
| 22 | is the sponsoring entity, shall be aggregated for the |
| 23 | purposes of this Section. |
| 24 | (f) For political committees designated by an established |
| 25 | political party: |

(1) Natural persons may contribute no more than \$10,000

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| 1 | during any regular election period during which any |
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| 2 | candidate actively supported by the party is seeking |
| 3 | nomination or election. |
| 4 | (2) Any other political committee may contribute no |
| 5 | more than \$5,000 during any regular election period during |
| 6 | which any candidate actively supported by the party is |
| 7 | seeking nomination or election. |
| 8 | (3) A corporation, labor organization, or association |
| 9 | may contribute from its own treasuries no more than \$5,000 |
| 10 | during each election period. All contributions from |
| 11 | associated entities, including political committees for |
| 12 | which the corporation, labor organization, or association |
| 13 | is the sponsoring entity, shall be aggregated for the |
| 14 | purposes of this Section. |
| 15 | (g) For political committees designated by a legislative |
| 16 | caucus: |
| 17 | (1) Natural persons may contribute no more than \$1,500 |
| 18 | during any regular election period during which any |
| 19 | candidate actively supported by the caucus is seeking |
| 20 | nomination or election. |
| 21 | (2) Any other political committee may contribute no |
| 22 | more than \$5,000 during any regular election period during |
| 23 | which any candidate actively supported by the caucus is |
| 24 | seeking nomination or election. |
| 25 | (3) A corporation, labor organization, or association |
| 26 | may contribute from its own treasuries no more than \$5,000 |

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during each election period. All contributions from

2 associated entities, including political committees for

which the corporation, labor organization, or association

is the sponsoring entity, shall be aggregated for the

5 <u>purposes of this Section.</u>

- (h) For any other political committee, natural persons may contribute no more than \$3,000 during any period beginning on January 1 of an odd-numbered year and ending on December 31 of an even-numbered year. A corporation, labor organization, association, or other political committee may contribute no more than \$5,000 during each election period. All contributions from associated entities, including political committees for which the corporation, labor organization, or association is the sponsoring entity, shall be aggregated for the purposes of this Section.
- (i) Nothing in this Section shall prohibit political committees from dividing the proceeds of joint fund raising efforts; provided that no political committee may receive more than the limit from any one donor and all donations shall be listed as from their true origin.
 - (j) No natural person, corporation, labor organization, or association may contribute in aggregate more than \$80,000 to political committees during any period beginning on January 1 of an odd-numbered year and ending on December 31 of an even-numbered year.
 - (k) On January 1 of every odd-numbered year, the State

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Board of Elections shall adjust the limits established in 1 subsections (b), (c), (d), (f), (g), (h), and (j) for inflation 2 as determined by the Consumer Price Index for All Urban 3 Consumers as issued by the United States Department of Labor 4 5

and rounded to the nearest \$100.

(1) In any instance where a corporation and any of its subsidiaries, branches, divisions, departments, or local units; a labor organization and any of its subsidiaries, branches, divisions, departments, or local units; or an association or any of its affiliates, subsidiaries, branches, divisions, departments, or local units contribute to one or more political committees or establish, maintain, or control more than one separate segregated fund qualified as a political committee, all of the related contributing entities shall be treated as a single contributing entity for the purposes of the limitations provided by this Section.

(m) Expenditures.

- (1) Expenditures made by any person in cooperation, consultation, or concert with a candidate, his or her authorized committee, or their agents, shall be considered a contribution to the candidate's designated political committee for the purpose of this Section.
- (2) The financing by any person of the dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign materials prepared by the candidate, his or her

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political committee, or their authorized agents shall be considered to be a contribution to the candidate's designated political committee for the purposes of this Section.

(n) For the purposes of the limitations designated by this Section, all contributions made by a person, either directly or indirectly, to a particular candidate, <u>including contributions</u> that are in any way earmarked or otherwise directed through an intermediary or conduit to a candidate's committee, shall be treated as contributions from the person to the candidate's committee. The intermediary or conduit shall report the original source and the intended recipient of the contribution to the Board and to the intended recipient within 10 days after the person made the contribution, or upon transmittal to the candidate, whichever is earlier. A conduit's or intermediary's contribution limits are not affected by the forwarding of an earmarked contribution except where the conduit or intermediary exercises any direction or control over the choice of the recipient. Any person who is prohibited from making contributions or expenditures in connection with a candidate or public question shall be prohibited from acting as a conduit for contributions earmarked for that candidate or public question, and any person who is prohibited from acting as a conduit who receives an earmarked contribution shall return that contribution to the contributor without transmitting or forwarding it to the committee of the candidate or public

question.

- (o) No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this Section. No officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate or knowingly make any expenditure on behalf of a candidate in violation of any limitation designated for contributions and expenditures under this Section.
- 10 (p) Multiple designations.
 - (1) No committee may accept donations larger than those specified in this Section, regardless of the number of candidates that may designate that committee under Section 9-2.7.
 - (2) Any committee designated by candidates who individually qualify under different subsections of this Section shall be bound by the lower limit.
- 18 (q) Complaints.
 - (1) The Board shall receive complaints alleging violations of this Section. The Board may bring complaints and investigations on its own initiative when the Board has reason to believe that a violation of this Section has occurred.
 - (2) Upon receipt of a complaint, the Board shall hold a closed preliminary hearing to determine whether or not the complaint appears to have been filed on justifiable

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grounds. Such closed preliminary hearing shall conducted as soon as practicable after affording reasonable notice, a copy of the complaint, and an opportunity to testify at such hearing to both the person making the complaint and the person against whom the complaint is directed. If the Board determines that the complaint has not been filed on justifiable grounds, it shall issue a written order to dismiss the complaint without further hearing, specifying the defect in the original complaint.

- (3) The Board shall have the authority to promulgate procedural rules governing the filing and hearing of complaints under this Section that are not inconsistent with this Section.
- (4) In addition to any other penalties authorized by this Article, the State Board of Elections, any political committee, or any person may apply to the circuit court for a temporary restraining order or a preliminary or permanent injunction against a political committee or any other entity to cease the expenditure of funds in violation of this Section and to cease operations until the Board determines that the committee or entity is in compliance with this Section.
- (r) Penalties.
 - (1) Any person who violates this Section shall be fined the greater of \$10,000 or 3 times the value of the excess

| concretation of expendicate. | С | ontribution | or | expenditure. |
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| (2) The State Board of Elections shall assess a penalty |
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| of up to \$5,000 for each violation against the recipient of |
| any contribution in violation of this Section if the |
| recipient knew that the donation was in violation of this |
| Section. For purposes of this Section, a recipient knew |
| that the donation was in violation of this Section if the |
| candidate, the committee chairman or treasurer, or any |
| natural person paid to perform regular campaign tasks knew |
| that the donation was in violation of this Section. |
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(s) Increase in the limits under special circumstances.

(1) Subject to paragraph (5), if the opposing candidate's personal funds amount with respect to a candidate for nomination to or election to judicial office exceeds the threshold amount, the limit under this Section shall be increased in accordance with the formula in subsection (s) (3).

(2) Threshold amount.

(A) In this subsection, for all elections other than in subcircuits, the threshold amount with respect to an election period of a candidate described in subparagraph (c) (1) is an amount equal to the sum of:

(i) \$150,000; and

(ii) \$0.04 multiplied by the voting age population of the district or circuit in which the candidates are seeking office.

| 1 | (B) For the purpose of subparagraph (c) (2) (A), |
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| 2 | the term "voting age population" means the number of |
| 3 | adults over the age of 18 found residing in every |
| 4 | county in the district or circuit by the U.S. Census |
| 5 | Bureau at the last preceding decennial census. |
| 6 | (C) In this subsection, for all elections in |
| 7 | subcircuits, the threshold amount with respect to an |
| 8 | election period of a candidate described in |
| 9 | subparagraph (c)(1) is \$150,000. |
| 10 | (3) If the opposing candidate's personal funds amount |
| 11 | <u>is over:</u> |
| 12 | (A) 2 times the threshold amount, but not over 4 |
| 13 | times the amount, then the increased limit shall be 3 |
| 14 | times the applicable limit. |
| 15 | (B) 4 times the threshold amount, but not over 10 |
| 16 | times the amount, then the increased limit shall be 6 |
| 17 | times the applicable limit. |
| 18 | (C) 10 times the threshold amount, then the |
| 19 | increased limit shall be 6 times the applicable limit. |
| 20 | (4) The opposing candidate's personal funds amount is |
| 21 | an amount equal to the excess (if any) of: |
| 22 | (A) The greatest aggregate amount of expenditures |
| 23 | from personal funds that an opposing candidate in the |
| 24 | same election makes, over |
| 25 | (B) The aggregate amount of expenditures from |
| 26 | personal funds made by the candidate with respect to |

| 1 | the election. |
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| 2 | (5) Time to accept contributions under increased |
| 3 | <pre>limit.</pre> |
| 4 | (A) Subject to subparagraph (B), a candidate and |
| 5 | the candidate's authorized committee shall not accept |
| 6 | any contribution under the increased limit under |
| 7 | <pre>paragraph (3):</pre> |
| 8 | (i) Until the candidate has received |
| 9 | notification from the Board of the opposing |
| 10 | candidate's personal funds amount, and |
| 11 | (ii) To the extent that the contribution, when |
| 12 | added to the aggregate amount of contributions |
| 13 | previously accepted under the increased limits |
| 14 | under this subsection for the election period, |
| 15 | exceeds 110% of the opposing candidate's personal |
| 16 | funds amount. |
| 17 | (B) A candidate and a candidate's authorized committee |
| 18 | shall not accept any contribution under the increased |
| 19 | limit after the date on which an opposing candidate |
| 20 | ceases to be a candidate to the extent that the amount |
| 21 | of the increased limit is attributable to such an |
| 22 | opposing candidate. |
| 23 | (6) On January 1 of each odd-numbered year, the State |
| 24 | Board of Election shall adjust the dollar figures in |
| 25 | paragraph (c) (2) for inflation as determined by the |
| 26 | Consumer Price Index for All Urban Consumers as determined |

by the United States Department of Labor. Figures expressed 1 2 in dollars in paragraph (c) (2) shall be rounded to the 3 nearest \$100, and figures expressed in one-hundredths of a 4 dollar shall be rounded to the nearest one-hundredth of a

5 dollar.

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- 6 (10 ILCS 5/9-8.7 new)
- 7 Sec. 9-8.7. Soliciting of contributions by associations, 8 corporations, or labor organizations.
- 9 (a) It is unlawful for any person affiliated in any way 10 with a corporation knowingly soliciting an employee of that 11 corporation for a contribution to a political committee to fail 12 to inform the employee at the time of the solicitation of the 13 political purposes of the fund. It is unlawful for any person affiliated in any way with a labor organization or association 14 15 knowingly soliciting an member of that labor organization or 16 association for a contribution to a political committee to fail to inform the member at the time of the solicitation of the 17 18 political purposes of the fund.
 - (b) It is unlawful for any person affiliated in any way with a corporation knowingly soliciting an employee of that corporation for a contribution to a political committee to fail to inform the employee at the time of the solicitation of the employee's right to refuse to contribute without any reprisal. It is unlawful for any person affiliated in any way with a labor organization or association knowingly soliciting any

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member of the same labor organization or association for a 1 2 contribution to a political committee to fail to inform the 3 employee at the time of the solicitation of the employee's right to refuse to contribute without any reprisal. 4

(c) Complaints.

- The Board shall receive complaints alleging (1)violations of this Section. The Board may bring complaints and investigations on its own initiative when the Board has reason to believe that a violation of this Section has occurred.
- (2) Upon receipt of a complaint, the Board shall hold a closed preliminary hearing to determine whether or not the complaint appears to have been filed on justifiable grounds. Such closed preliminary hearing shall be conducted as soon as practicable after affording reasonable notice, a copy of the complaint, and an opportunity to testify at such hearing to both the person making the complaint and the person against whom the complaint is directed. If the Board determines that the complaint has not been filed on justifiable grounds, it shall issue a written order to dismiss the complaint without further hearing, specifying the defect in the original complaint.
- (3) The Board shall have the authority to promulgate procedural rules governing the filing and hearing of complaints under this Section that are not inconsistent

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- (4) In addition to any other penalties authorized by this Article, the State Board of Elections, any political committee, or any person may apply to the circuit court for a temporary restraining order or a preliminary or permanent injunction against a political committee or any other entity to cease the expenditure of funds in violation of this Section and to cease operations until the Board determines that the committee or entity is in compliance with this Section. (d) Penalties. Any person who violates this Section shall
- be fined \$200 for each person improperly solicited. Contributions received from any donor within 6 months after an improper solicitation of that donor must be returned to the donor.

Section 97. Severability. The provisions of this Act are severable. If any provision of this Act is held invalid by a court of competent jurisdiction, the invalidity does not affect other provisions of the Act that can be given effect without the invalid provision.

- 1 INDEX 2 Statutes amended in order of appearance 10 ILCS 5/Art. 9 heading 3 10 ILCS 5/9-1 4 from Ch. 46, par. 9-1 5 10 ILCS 5/9-1.4 from Ch. 46, par. 9-1.4 10 ILCS 5/9-1.5 from Ch. 46, par. 9-1.5 6 10 ILCS 5/9-1.16 new 7 8 10 ILCS 5/9-1.17 new 10 ILCS 5/9-1.18 new 9
- 11 10 ILCS 5/9-1.20 new

10 ILCS 5/9-1.19 new

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- 12 10 ILCS 5/9-1.21 new
- 13 10 ILCS 5/9-1.22 new
- 14 10 ILCS 5/9-1.23 new
- 15 10 ILCS 5/9-1.24 new
- 16 10 ILCS 5/9-2.5 new

- 19 10 ILCS 5/9-8.7 new