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# Louisiana Campaign Finance Disclosure Act

August 21, 2009

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# Louisiana Board of Ethics

- Acts as the Supervisory Committee on Campaign Finance Disclosure
  - Administers the Campaign Finance Disclosure Act
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# Candidate

- Person who seeks nomination or election to public office (except national offices and political party offices). A person is a candidate when: (1) he receives a contribution or makes an expenditure, or gives his consent for another person to do so, with a view to influencing his nomination or election to office, even if the specific office is not known, or (2) he qualifies for office.
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# Levels of Office for Candidates

- Major
  - District
  - Any Other
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# Importance of Levels of Office

- Contribution Limits
  - Reporting Requirements
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# Persons Required to File Disclosure Reports

- Candidates for "Major" or "District" offices.
  - Each Candidate for "Any Other" public office who:
    - 1. makes expenditures in excess of \$5,000; or,
    - 2. receives contributions from a single source in excess of \$200. Does not include candidate's personal funds
  - All political committees. PACs file reports on the same schedule as the candidates they support or oppose or on a monthly basis.
  - Any person who makes independent expenditures in excess of \$500.
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# Contribution Limits for Candidates

- Major - \$5,000
  - District - \$2,500
  - Any Other - \$1,000
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# Reporting Requirements and Deadlines

- Candidate Elections
  - Proposition/Recalls
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# Filing Schedule

- <http://www.ethics.state.la.us>

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# Act 25 of the 2008 1<sup>st</sup> Extraordinary Session

- Major and district office candidates with activity over \$25,000 (contributions over \$50,000 or expenditures over \$25,000 in an aggregating period) must electronically file.
    - Effective 1/1/10
  - All majors and district office candidates must electronically file.
    - Effective 1/1/12
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# Prohibited Practices

- Contributions through or in the name of another
  - Contributions from an anonymous source
  - Cash Contributions over \$100
  - Payments to haul voters to the polls
  - Coercing persons to make contributions
  - Contributions from those interested in the riverboat gaming industry and the land based casino industry
  - Ban on contributions during Legislative Session
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# Act 14, 2008 1<sup>st</sup> Extraordinary Legislative Session

If a 3<sup>rd</sup> party entity pays for a political advertisement for a candidate, the name of the 3<sup>rd</sup> party entity shall be displayed on the face of the advertisement in a font size that is not less than half of the font size of the advertisement.

- Effective date 1/1/10
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# Use of Campaign Funds

- Appropriate use of campaign funds
  - Use of surplus funds
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# Act 26 and 27, 2008 1<sup>st</sup> Extraordinary Legislative Session

- ❖ Cannot use campaign funds to pay a fine, fee or penalty imposed pursuant to the Code of Governmental Ethics.
  - ❖ Only the person assessed a fine, fee or penalty pursuant to the Campaign Finance Disclosure Act shall pay the fine, fee or penalty with personal funds or campaign funds.
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# Act 821, 2008 Regular Legislative Session

Cannot use campaign funds to make an expenditure to an immediate family member of the candidate

- ❖ Exception if to a business in which the immediate family member owns an interest if:
  - ❖ It is a bona fide business that has been regularly doing business in the state for at least 12 months prior to the date of the expenditure
  - ❖ Registered with the Secretary of State and provides goods and services related to the expenditure
  - ❖ Holds an occupational license that was duly issued by the appropriate local governmental subdivision
  - ❖ Solely for campaign purposes
  - ❖ An arms length transaction in which the value of the goods and services is commensurate with the compensation paid

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# Act 27, 2008 1<sup>st</sup> Extraordinary Legislative Session

- ❖ A person who makes an expenditure on behalf of a candidate or political committee for the purpose of canvassing, shall submit in writing to the candidate or political committee the name, address, and last 4 digits of the social security number of each individual to whom such an expenditure was made.
  - ❖ Failure to do so may subject to the person to criminal penalties.
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# Board procedures involving campaign finance

- Late Fee Assessments
  - Waiver Requests
  - Campaign Finance Public Hearings
  - Enforcement
  - Objection to candidacy
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# Late Fee Assessments

- Per day penalties:
    - Major - \$100/day - \$2,500/max
    - District - \$60/day - \$2,000/max
    - Any - \$40/day - \$1,000/max
    - Political Committees – \$200/day - \$3,000/max
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# Waiver Requests

- A candidate has 30 days to request a good cause waiver of the assessed late fees.
  - The Board has adopted guidelines regarding a request based on the candidate's level of activity, his history of timeliness and the reason for the late filing. The staff makes recommendations pursuant to those guidelines.
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# Campaign Finance Public Hearings

- Late fee assessments
  - If a candidate or PAC not paid the late fee nor requested a waiver the Board will hold a public hearing to obtain a Board order for the payment of the late fees.
- Charges for failure to file campaign finance disclosure reports
  - When a candidate or PAC has not filed a required campaign finance disclosure report, the Board issues charges for the failure to file and sets the matter for public hearing.

For substantive violations of the CFDA the Board will file civil suit in the parish of the candidate's domicile

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# Enforcement

- Judgment

- If after a public hearing a candidate or PAC has failed to comply with a Board Order, then the Board can file suit in the Nineteenth Judicial District Court to have the Board Order converted into a Judgment of the Court.

- Collection of the judgment

- Once there has been a final Judgment in connection with the payment of the late fines, the matter is then transferred to the Attorney General's Collection Division for collection.
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# Objection to Candidacy

- La. R.S. 18:492 and 18:463, provide that the Board may object to the candidacy of a person who, upon qualifying for elected office, erroneously certifies that he does not have any outstanding late fees pursuant to the Campaign Finance Disclosure Act or the Code of Governmental Ethics.
  - An outstanding late fee does not include a late fee for which a candidate has entered into and maintained compliance with a written payment plan approved by the Board.
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# CLE Credit

- CLE Course Title

**Campaign Finance Seminar**

- Course Number

**1154090821**

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