

December 30, 2024

The Honorable Senator Cleo Fields Chairperson, Senate and Governmental Affairs <u>apa.s-s&g@legis.la.gov</u> P.O. Box 94183 Baton Rouge, Louisiana 70804 The Honorable Representative Gerald "Beau" Beaullieu, IV Chairperson, House and Governmental Affairs <u>apa.h-hg@legis.la.gov</u> P. O. Box 94062 Baton Rouge, Louisiana 70804

Re: Promulgation of Rules Regarding Receiving, Redesignating, and Reattributing Contributions (LAC 52: I. Chapter 16, *Louisiana Register*, Volume 50, No. 9, September 20, 2024, Page 1302-1303)

Dear Senator Fields and Representative Beaullieu:

Pursuant to R.S. 49:968(D)(1)(b), the Louisiana Board of Ethics reports that no public hearing has been or will be held as to the proposed regulations concerning receiving, redesignating, and reattributing contributions. The deadline to submit comments or request a public hearing for the proposed rule was October 10, 2024. No one submitted comments or requested a public hearing; therefore, no public hearing was scheduled.

If you would like to schedule a hearing before your respective Committee to consider the proposed rules, please contact Kristy Gary, Deputy Ethics Administrator, or myself to provide such assistance as is necessary under these circumstances. Upon receiving a favorable recommendation, the Louisiana Board of Ethics anticipates the final rule will be published on February 20, 2025.

Sincerely,

LOUISIANA BOARD OF ETHICS

David M. Bordelon For the Board

NOTICE OF INTENT

Department of Civil Service Board of Ethics

Contributions: Receiving, Redesignation, and Reattribution (LAC 52:I.1617 and 1619)

In accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., notice is hereby given that the Department of Civil Service, Board of Ethics, has initiated rulemaking procedures and is proposing to adopt a Rule regarding receiving, redesignating, and reattributing contributions.

Title 52 ETHICS

Part I. Board of Ethics

Chapter 16. The Board as Supervisory Committee of the Louisiana Campaign Finance Disclosure Act

§1617. Receiving Contributions

A. Candidate, political committee or other persons who are required to file campaign finance disclosure reports have 10 days from receipt of a contribution to take the following actions:

1. deposit the contribution into their designated campaign account; or,

2. return the contribution to the contributor.

B. If the contribution is deposited into a designated campaign account, it shall be disclosed as being received as the date that it was

1. hand-delivered to the candidate, political committee, other person who is required to file campaign finance disclosure reports, or their authorized representatives; or,

2. received in the mail or courier service by the candidate or their treasurer.

C. For contributions to candidates,

1. Unless the contribution is designated in writing by the contributor for a particular election, the contribution shall be presumed to be applied to the next election in which the candidate is participating.

2. If the contributor designates a contribution in writing for a particular election, the candidate shall maintain a copy of the designation in their campaign finance records.

3. A contributor cannot designate a contribution for a candidate for a future election which is past the next election cycle in which the candidate is participating.

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:1134(A).

HISTORICAL NOTE: Promulgated by the Department of Civil Service, Board of Ethics, LR 50:

§1619. Redesignation and Reattribution of

Contributions

A. Redesignation is an action taken by a candidate or his campaign committee and/or the contributor to designate an excess contribution to another election in which the contributor has not exceeded the contribution limits.

1. Redesignation of a contribution designated by the contributor for a particular election, the candidate or their campaign committee shall obtain written redesignation of

the contribution to another election on a form approved by the board or in writing that contains the following:

a. the name and address of the contributor;

b. date and amount of initial contribution;

c. date of election to which the initial contribution was designated;

d. date and amount of redesignated contribution;

e. date of election to which the contribution is redesignated;

f. signature of contributor and date signed;

g. date redesignation received by the candidate or their committee.

B. Reattribution is an action taken by a candidate or his campaign committee and the contributor to attribute the excess portion of a contribution to another contributor who has not otherwise made a contribution that exceeded the contribution limits.

1. Funds may only be reattributed to another contributor who has a legal claim to the funds being reattributed because contributions through or in the name of another are prohibited by La. R.S. 18:1505.2A.

2. To reattribute the excess portion of a contribution, the candidate or their campaign committee shall obtain written reattribution of the contribution from the initial contributor and the contributor to which the contribution is being reattributed on a form approved by the board or in writing that contains the following:

a. the name and address of the initial contributor;

b. date and amount of initial contribution;

c. date of election to which the initial contribution was designated;

d. date contribution reattributed to another contributor and the amount of the reattributed contribution;

e. date of election to which the contribution is reattributed;

f. signature of initial contributor and date signed;

g. signature of contributor to whom the contribution is reattributed;

h. date reattribution received by the candidate or their committee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:1134(A).

HISTORICAL NOTE: Promulgated by the Department of Civil Service, Board of Ethics, LR 50:

Family Impact Statement

The proposed rule changes have no known impact on family formation, stability or autonomy, as described in R.S. 49:972.

Poverty Impact Statement

The proposed Rule changes have no known impact on poverty, as described in R.S. 49:973.

Small Business Analysis

The proposed Rule should not have any known or adverse impact on small business as described in R.S. 49:978.5.

Provider Impact Statement

The proposed Rule should not have any known or foreseeable impact on providers as defined by HCR 170 of 2014 Regular Legislative Session.

Public Comments

Interested persons may direct their comments to Kathleen M. Allen, Louisiana Board of Ethics, P.O. Box 4368, Baton Rouge, Louisiana 70821, telephone (225) 219-5600, until 4:45 p.m. on October 10, 2024.

Kathleen M. Allen Ethics Administrator

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES RULE TITLE: Contributions: Receiving, Redesingation, and Reattribution

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

The proposed rule change will result in a one-time increase in expenditures, estimated to be approximately \$60,000 in State General Fund, for information technology updates and changes to the Louisiana Ethics Administration Disclosure and Electronic Reporting System (LEADERS). The Ethics Administration will absorb the increased workload with its existing staff and resources. The only other cost to the state is the cost to publish the Notice of Intent and the rule in the State Register.

The proposed rule change codifies Act 664 of the 2024 Regular Session regarding the receipt, redesignation, and reattribution of campaign contributions by candidates or their campaign committee. The proposed rule change provides for guidance and procedures to those persons receiving, redesignating, and reattributing campaign contributions.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change has no anticipated effect on revenue collections of state or local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS (Summary)

There is no anticipated economic benefit to directly affected persons, small businesses, or non-governmental groups as a result of the proposed rule change. The proposed rule change provides instructions to candidates (or their campaign committees) on the designation of contributions to a particular election, the redesignation of an excess contribution to another election, and the reattribution of an excess contribution to another contributor.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule has no anticipated effect on competition and employment.

Kristy Gary Deputy Ethics Administrator 2409#059

Patrice Thomas Deputy Fiscal Officer Legislative Fiscal Office