



SPONSOR: Sen. Paradee & Rep. Lynn
Sens. Gay, Hansen, Sturgeon

DELAWARE STATE SENATE
151st GENERAL ASSEMBLY

SENATE BILL NO. 178

AN ACT TO AMEND TITLE 15 OF THE DELAWARE CODE RELATING TO ELECTIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend § 8005, Title 15 of the Delaware Code by making deletions as shown by strike through and
2 insertions as shown by underline as follows:

3 § 8005. Duties of a political committee.

4 A political committee ~~shall~~ shall do all of the following:

5 (5) Designate a financial institution as a depository for contributions to the political committee.

6 a. The political committee shall make the required designation to the Commissioner along with the filing
7 of a statement of organization under paragraph (1) of this section.

8 b. The designated financial institution must be a financial institution with a main office or branch office
9 in this State.

10 (6) File a copy of the most recent month-end account statement and an account statement for the month in
11 which a loan was initiated, if applicable, from the designated financial institution in paragraph (5) of this section that
12 covers each reporting period under § 8030(b) of this title. An account statement is a public record under the Freedom
13 of Information Act (Chapter 100 of Title 29). The Commissioner shall redact personal identifying information,
14 including account numbers, before providing a copy of an account statement under the Freedom of Information Act
15 (Chapter 100 of Title 29).

16 Section 2. Amend § 8013, Title 15 of the Delaware Code by making deletions as shown by strike through and
17 insertions as shown by underline as follows:

18 § 8013. ~~Short title [Repealed].~~ Loan documentation; requirements.

19 ~~Repealed by 67 Del. Laws, c. 449, § 1, effective Jan. 1, 1991.~~

20 (a) Except as provided under subsection (b) of this section, a loan made to a political committee must be
21 documented by a written record that includes all of the following:

22 (1) The lender's name, address, and signature.

(2) A statement of the schedule for repayment of the loan.

(3) A statement of the interest rate of the loan.

(b) A loan made by a candidate to the candidate's candidate committee is not subject to subsection (a)(2) and (a)(3) of this section.

(c) A political committee shall attach the written record required under subsection (a) of this section to a report required under subchapter IV of this chapter.

(d) The following applies to the proceeds of a loan subject to the requirements of subsection (a) of this section:

(1) The proceeds of the loan must be deposited into the political committee's account at a financial institution within 3 business days of receipt of the proceeds.

(2) The proceeds of the loan must not be held in a candidate's personal account at a financial institution or in the account of another person.

(3) The proceeds must be held in the political committee's account until an expenditure is made or until the next reporting period. A failure to comply with this paragraph (d)(3) of this section must be reported to the Commissioner.

Section 3. Amend § 8030, Title 15 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 8030. Reports of political committees.

(d) Each report under this section ~~shall~~must disclose all of the following information, for the entire reporting period:

(1) Amount of cash and other intangible and tangible assets on hand at the beginning of the reporting ~~period;~~period.

(2) Full name and mailing address of each person who has made contributions to ~~such the~~ political committee ~~(including committee, including the purchase of tickets for events such as dinners, luncheons, rallies-rallies, and similar fund-raising events, whether or not the tickets were used by the person who paid for them)-them,~~ during the election period in an aggregate amount or value in excess of \$100, the total of all contributions from ~~such the~~ person during the election period, and the amount and date of all contributions from ~~such the~~ person during the reporting period. If the person who made the contribution is not an individual, then the report ~~shall~~must also include the name and address of 1 responsible party for ~~such person;~~ the person.

(3) Total of contributions made to ~~such the~~ political committee during the reporting period and not reported under paragraph (d)(2) of this ~~section;~~section.

(4) Name and address of each political committee from which the political committee received, or to which the political committee made, any transfer of funds, together with the amounts and dates of all transfers, no matter ~~what~~ the amount; the amount.

(5) The amount of each debt in excess of ~~\$50;~~\$100, owed to or owing by ~~such the~~ political committee at the end of the reporting period, the full names and mailing addresses of any lender, ~~borrower~~ borrower, and endorser of ~~such the~~ debt, the date and the interest rate of ~~such loan;~~ the debt, and a description of any security given ~~therefor;~~ for the debt. For a loan made to the political committee, the written record required under § 8013 of this title must also be provided.

(6) Total amount of proceeds ~~from;~~ from all of the following:

a. Sale of tickets to each reception, meal, ~~rally~~ rally, or other fund-raising ~~event;~~ event.

b. Collections made at ~~such events;~~ and an event under paragraph (d)(6)a. of this section.

c. Sales of items such as campaign pins, buttons, ~~badges~~ badges, and similar materials; provided, however, that all payments and contributions by any person, whether as gifts, as purchases of tickets or other goods or services, or partially as gifts and partially as purchases, by any person during any election period, ~~shall~~ must be aggregated and, if ~~such the~~ aggregate total exceeds ~~\$50;~~\$100 during such election period, ~~shall~~ must be reported under paragraph (d)(2) of this ~~section;~~ section.

(7) Each contribution or other receipt in excess of \$100 not otherwise listed under paragraphs (d)(2) through (6) of this ~~section;~~ section.

(8) Total receipts by ~~such the~~ political committee or candidate during the reporting ~~period;~~ period.

(9) Full name and mailing address of each person to whom any expenditure has been made by ~~such the~~ political committee during the reporting period in an aggregate amount in excess of ~~\$100;~~\$100; the amount, ~~date~~ date, and purpose of each ~~such expenditure~~ expenditure; and the name of, and office sought by, each candidate on whose behalf ~~such the~~ expenditure was ~~made;~~ made.

(10) Total expenditures made by ~~such the~~ political committee or candidate in connection with ~~such campaign;~~ and the campaign.

(11) All goods and services that are contributed in kind, or at no charge or at a cost less than fair market ~~value~~ (except value, except for services excluded from the definition of “contribution” under § 8002 of this ~~title)~~ title, to the extent that the fair market value, less any amount paid by the candidate or political committee, exceeds \$100.

(12) A copy of each account statement required under § 8005(6) of this title from the political committee’s financial institution designated under § 8005(5) of this title.

Section 4. Amend § 8031, Title 15 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 8031. Special reports — Third-party advertisements.

(a) Any person other than a candidate committee or political party who makes an expenditure for any third-party advertisement that causes the aggregate amount of expenditures for third-party advertisements made by such person to exceed \$500 during an election period shall file a third-party advertisement report with the Commissioner. The report ~~shall~~ must be filed under penalty of perjury and ~~shall~~ must include all of the following:

(1) The information required under § 8005(1) of this title with respect to the person making ~~such~~ expenditure; the expenditure.

(2) The full name and mailing address of each person to whom any expenditure has been made by ~~such the~~ person during the reporting period in an aggregate amount in excess of \$100; the amount, ~~date~~ date, and purpose of each ~~such~~ expenditure; and the name of, and office sought by, each candidate on whose behalf ~~such the~~ expenditure was ~~made~~ made.

(3) The full name and mailing address of each person who has made contributions to ~~such the~~ person during the election period in an aggregate amount or value in excess of ~~\$100~~ \$100, the total of all contributions from ~~such the~~ person during the election period, and the amount and date of all contributions from ~~such the~~ person during the reporting ~~period~~ period.

(4) If a person who made a contribution under paragraph (a)(3) of this section is not an individual, the full name and mailing address ~~of~~ of all of the following:

a. Any person who, directly or otherwise, owns a legal or equitable interest of 50 percent or greater in ~~such entity; and the entity.~~

b. One responsible party, if the aggregate amount of contributions made by ~~such the~~ entity during the election period exceeds ~~\$1,200; and~~ \$1,200.

(5) The aggregate amount of all contributions made to the person who made the expenditure.

(6) A written record required under § 8013 of this title.

SYNOPSIS

This Act requires that a loan to a political committee be documented by a written record reported to the State Election Commissioner that includes all of the following:

- (1) The lender's name, address, and signature.
- (2) A statement of the schedule for repayment of the loan.
- (3) A statement of the interest rate of the loan.

However, if the loan is made by a candidate to the candidate's candidate committee, a statement of the schedule for repayment and interest rate of the loan is not required. The proceeds of the loan are required to be deposited in the

political committee's account at a financial institution within 3 business days of receipt of the proceeds. The proceeds of the loan must not be held in a candidate's personal account at a financial institution or in the account of another person. The proceeds must be held in the political committee's account until an expenditure is made or until the next reporting period.

This Act increases the minimum amount of a debt or the proceeds of a political committee that must be reported to the Commissioner.

This Act also requires a political committee to designate with the State Election Commissioner a financial institution with a main office or branch office in this State which is the depository for contributions to the political committee. The political committee is required to provide copies of the most recent month-end account statement and an account statement for the month in which a loan was initiated, if applicable, to cover each period a report of contributions and expenditures is due.

Finally, this Act makes technical corrections to conform existing law to the standards of the Delaware Legislative Drafting Manual.

Author: Senator Paradee