



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB1520

Introduced 2/15/2019, by Sen. Don Harmon

SYNOPSIS AS INTRODUCED:

10 ILCS 5/9-1.8

from Ch. 46, par. 9-1.8

10 ILCS 5/9-6

from Ch. 46, par. 9-6

Amends the Election Code. Includes certain tax-exempt organizations under the federal Internal Revenue Code in the definitions of political action committees, ballot initiative committees, and independent expenditure committees. Allows the tax-exempt organizations to establish a separate political committee whose function is to receive or make contributions or make expenditures, or any combination thereof, to support or oppose candidates or questions of public policy. Sets forth certain requirements for these separate committees. Effective immediately.

LRB101 08415 SMS 53485 b

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 Sections 9-1.8 and 9-6 as follows:

6 (10 ILCS 5/9-1.8) (from Ch. 46, par. 9-1.8)

7 Sec. 9-1.8. Political committees.

8 (a) "Political committee" includes a candidate political
9 committee, a political party committee, a political action
10 committee, a ballot initiative committee, and an independent
11 expenditure committee.

12 (b) "Candidate political committee" means the candidate
13 himself or herself or any natural person, trust, partnership,
14 corporation, or other organization or group of persons
15 designated by the candidate that accepts contributions or makes
16 expenditures during any 12-month period in an aggregate amount
17 exceeding \$5,000 on behalf of the candidate.

18 (c) "Political party committee" means the State central
19 committee of a political party, a county central committee of a
20 political party, a legislative caucus committee, or a committee
21 formed by a ward or township committeeperson of a political
22 party. For purposes of this Article, a "legislative caucus
23 committee" means a committee established for the purpose of

1 electing candidates to the General Assembly by the person
2 elected President of the Senate, Minority Leader of the Senate,
3 Speaker of the House of Representatives, Minority Leader of the
4 House of Representatives, or a committee established by 5 or
5 more members of the same caucus of the Senate or 10 or more
6 members of the same caucus of the House of Representatives.

7 (d) "Political action committee" means any natural person,
8 trust, partnership, committee, association, corporation, or
9 other organization, including one organized for tax-exempt
10 status under Section 501(c)(4), 501(c)(5), or 501(c)(6) of the
11 Internal Revenue Code, or group of persons, other than a
12 candidate, political party, candidate political committee, or
13 political party committee, that accepts contributions or makes
14 expenditures during any 12-month period in an aggregate amount
15 exceeding \$5,000 on behalf of or in opposition to a candidate
16 or candidates for public office. "Political action committee"
17 includes any natural person, trust, partnership, committee,
18 association, corporation, or other organization, including one
19 organized for tax-exempt status under Section 501(c)(4),
20 501(c)(5), or 501(c)(6) of the Internal Revenue Code, or group
21 of persons, other than a candidate, political party, candidate
22 political committee, or political party committee, that makes
23 electioneering communications during any 12-month period in an
24 aggregate amount exceeding \$5,000 related to any candidate or
25 candidates for public office.

26 (e) "Ballot initiative committee" means any natural

1 person, trust, partnership, committee, association,
2 corporation, or other organization, including one organized
3 for tax-exempt status under Section 501(c)(4), 501(c)(5), or
4 501(c)(6) of the Internal Revenue Code, or group of persons
5 that accepts contributions or makes expenditures during any
6 12-month period in an aggregate amount exceeding \$5,000 in
7 support of or in opposition to any question of public policy to
8 be submitted to the electors. "Ballot initiative committee"
9 includes any natural person, trust, partnership, committee,
10 association, corporation, or other organization, including one
11 organized for tax-exempt status under Section 501(c)(4),
12 501(c)(5), or 501(c)(6) of the Internal Revenue Code, or group
13 of persons that makes electioneering communications during any
14 12-month period in an aggregate amount exceeding \$5,000 related
15 to any question of public policy to be submitted to the voters.
16 The \$5,000 threshold applies to any contributions or
17 expenditures received or made with the purpose of securing a
18 place on the ballot for, advocating the defeat or passage of,
19 or engaging in electioneering communication regarding the
20 question of public policy, regardless of the method of
21 initiation of the question of public policy and regardless of
22 whether petitions have been circulated or filed with the
23 appropriate office or whether the question has been adopted and
24 certified by the governing body.

25 (f) "Independent expenditure committee" means any trust,
26 partnership, committee, association, corporation, or other

1 organization, including one organized for tax-exempt status
2 under Section 501(c)(4), 501(c)(5), or 501(c)(6) of the
3 Internal Revenue Code, or group of persons formed for the
4 exclusive purpose of making independent expenditures during
5 any 12-month period in an aggregate amount exceeding \$5,000 in
6 support of or in opposition to (i) the nomination for election,
7 election, retention, or defeat of any public official or
8 candidate or (ii) any question of public policy to be submitted
9 to the electors. "Independent expenditure committee" also
10 includes any trust, partnership, committee, association,
11 corporation, or other organization, including one organized
12 for tax-exempt status under Section 501(c)(4), 501(c)(5), or
13 501(c)(6) of the Internal Revenue Code, or group of persons
14 that makes electioneering communications that are not made in
15 connection, consultation, or concert with or at the request or
16 suggestion of a public official or candidate, a public
17 official's or candidate's designated political committee or
18 campaign, or an agent or agents of the public official,
19 candidate, or political committee or campaign during any
20 12-month period in an aggregate amount exceeding \$5,000 related
21 to (i) the nomination for election, election, retention, or
22 defeat of any public official or candidate or (ii) any question
23 of public policy to be submitted to the voters.

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

1 Sec. 9-6. Accounting for contributions.

2 (a) A person who collects or accepts a contribution for a
3 political committee shall, within 5 days after receipt of such
4 contribution, submit to the treasurer a detailed account of the
5 contribution, including (i) the amount, (ii) the name and
6 address of the person making such contribution, (iii) the date
7 on which the contribution was received, and (iv) the name and
8 address of the person collecting or accepting the contribution
9 for the political committee. A political committee shall
10 disclose on the quarterly statement the name, address, and
11 occupation of any person who collects or accepts contributions
12 from at least 5 persons in the aggregate of \$3,000 or more
13 outside of the presence of a candidate or not in connection
14 with a fundraising event sanctioned or coordinated by the
15 political committee during a reporting period. This subsection
16 does not apply to a person who is an officer of the committee,
17 a compensated employee, a person authorized by an officer or
18 the candidate of a committee to accept contributions on behalf
19 of the committee, or an entity used for processing financial
20 transactions by credit card or other means.

21 (b) Within 5 business days of contributing goods or
22 services to a political committee, the contributor shall submit
23 to the treasurer a detailed account of the contribution,
24 including (i) the name and address of the person making the
25 contribution, (ii) a description and market value of the goods
26 or services, and (iii) the date on which the contribution was

1 made.

2 (c) All funds of a political committee shall be segregated
3 from, and may not be commingled with, any personal funds of
4 officers, members, or associates of such committee.

5 (d) An organization that qualifies for tax-exempt status
6 under Section 501(c)(4), 501(c)(5), or 501(c)(6) of the
7 Internal Revenue Code may, in order to comply with the specific
8 reporting provisions that are required of political
9 committees, establish a separate political committee in the
10 manner described in Section 9-3 of this Code whose exclusive
11 function is to receive or make contributions or make
12 expenditures, or any combination thereof, to support or oppose
13 candidates or questions of public policy.

14 (1) To facilitate this option, nonprofit organizations
15 may create a separate segregated fund in which
16 contributions shall be deposited or made as defined in
17 Section 9-1.4 of this Code and from which expenditures
18 shall be disbursed as defined in Section 9-1.5 of this
19 Code.

20 (2) If a nonprofit organization chooses this option,
21 the disclosure of any deposits of money into the segregated
22 fund shall report the original source or sources of the
23 money and not the name of the parent nonprofit
24 organization.

25 (Source: P.A. 96-832, eff. 1-1-11.)

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.