

7184

I N S E N A T E

May 2, 2014

Introduced by Sens. GIPSON, GIANARIS -- read twice and ordered printed,
and when printed to be committed to the Committee on Elections

AN ACT to amend the election law, in relation to the personal use of
campaign funds

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 Section 1. Section 14-130 of the election law, as added by chapter
2 152 of the laws of 1985, is amended to read as follows:
3 S 14-130. Campaign funds for personal use. 1. Contributions received
4 by a candidate or a political committee may be expended for any lawful
5 purpose THAT IS DIRECTLY RELATED TO PROMOTING THE NOMINATION OR ELECTION
6 OF A CANDIDATE OR THE EXECUTION OF DUTIES ASSOCIATED WITH THE HOLDING OF
7 A PUBLIC OFFICE OR PARTY POSITION. Such funds shall not be converted by
8 any person to a personal use [which is unrelated to a political campaign
9 or the holding of a public office or party position].
10 2. NO CONTRIBUTION SHALL BE USED TO PAY INTEREST OR ANY OTHER FINANCE
11 CHARGES UPON MONIES LOANED TO THE CAMPAIGN BY SUCH CANDIDATE OR THE
12 SPOUSE OF SUCH CANDIDATE.
13 3. (A) AS USED IN THIS SECTION, EXPENDITURES FOR "PERSONAL USE" ARE
14 DEFINED AS EXPENDITURES THAT ARE EXCLUSIVELY FOR THE PERSONAL BENEFIT OF
15 THE CANDIDATE OR ANY OTHER INDIVIDUAL, AND ARE USED TO FULFILL ANY
16 COMMITMENT, OBLIGATION, OR EXPENSE OF A PERSON THAT WOULD EXIST IRRE-
17 SPECTIVE OF THE CANDIDATE'S ELECTION CAMPAIGN OR THE EXECUTION OF THE
18 DUTIES OF PUBLIC OFFICE OR THE EXECUTION OF THE DUTIES OF A PARTY OFFI-
19 CIAL.
20 (B) EXPENDITURES FOR PERSONAL USE SHALL INCLUDE, BUT ARE NOT LIMITED
21 TO, EXPENSES FOR THE FOLLOWING:
22 (I) ANY RESIDENTIAL OR HOUSEHOLD ITEMS, SUPPLIES OR EXPENDITURES,
23 INCLUDING MORTGAGE, RENT OR UTILITY PAYMENTS FOR ANY PART OF ANY
24 PERSONAL RESIDENCE OF A CANDIDATE OR OFFICEHOLDER OR A MEMBER OF THE
25 CANDIDATE'S OR OFFICEHOLDER'S FAMILY THAT ARE NOT INCURRED AS A RESULT
26 OF, OR TO FACILITATE, THE INDIVIDUAL'S CAMPAIGN, OR THE EXECUTION OF HIS
27 OR HER PUBLIC DUTIES. IN THE EVENT THAT ANY PROPERTY OR BUILDING IS USED
28 FOR BOTH PERSONAL AND CAMPAIGN USE, PERSONAL USE SHALL CONSTITUTE
29 EXPENSES THAT EXCEED THE PRO-RATED AMOUNT FOR SUCH EXPENSES BASED ON
30 FAIR-MARKET VALUE.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

LBD14256-01-4

(II) MORTGAGE, RENT, OR UTILITY PAYMENTS FOR ANY PART OF ANY NON-RESIDENTIAL PROPERTY THAT IS OWNED BY A CANDIDATE OR OFFICEHOLDER OR A MEMBER OF A CANDIDATE'S OR OFFICEHOLDER'S FAMILY AND USED FOR CAMPAIGN PURPOSES, TO THE EXTENT THE PAYMENTS EXCEED THE FAIR MARKET VALUE OF THE PROPERTY'S USAGE FOR CAMPAIGN ACTIVITIES;

(III) CLOTHING, OTHER THAN ITEMS THAT ARE USED IN THE CAMPAIGN;

(IV) TUITION PAYMENTS;

(V) CHILDCARE COSTS;

(VI) DUES, FEES, OR GRATUITIES AT A COUNTRY CLUB, HEALTH CLUB, RECREATIONAL FACILITY OR OTHER NONPOLITICAL ORGANIZATION, UNLESS THEY ARE PART OF A SPECIFIC FUNDRAISING EVENT THAT TAKES PLACE ON THE ORGANIZATION'S PREMISES;

(VII) SALARY PAYMENTS OR OTHER COMPENSATION PROVIDED TO ANY PERSON WHOSE SERVICES ARE NOT SOLELY FOR CAMPAIGN PURPOSES OR PROVIDED IN CONNECTION WITH THE EXECUTION OF THE DUTIES OF PUBLIC OFFICE;

(VIII) SALARY PAYMENTS OR OTHER COMPENSATION PROVIDED TO A MEMBER OF A CANDIDATE'S FAMILY, UNLESS THE FAMILY MEMBER IS PROVIDING BONA FIDE SERVICES TO THE CAMPAIGN. IF A FAMILY MEMBER PROVIDES BONA FIDE SERVICES TO A CAMPAIGN, ANY SALARY PAYMENTS OR OTHER COMPENSATION IN EXCESS OF THE FAIR MARKET VALUE OF THE SERVICES PROVIDED SHALL BE CONSIDERED PAYMENTS FOR PERSONAL USE;

(IX) ADMISSION TO A SPORTING EVENT, CONCERT, THEATER, OR OTHER FORM OF ENTERTAINMENT, UNLESS SUCH EVENT IS PART OF A CAMPAIGN OR OFFICEHOLDER ACTIVITY;

(X) PAYMENT OF ANY FINES OR PENALTIES ASSESSED PURSUANT TO THIS CHAPTER OR IN CONNECTION WITH A CRIMINAL CONVICTION OR BY THE JOINT COMMISSION FOR PUBLIC ETHICS OR THE LEGISLATIVE ETHICS COMMISSION;

(XI) TRAVEL EXPENSES INCLUDING AUTOMOBILE PURCHASES OR LEASES, UNLESS USED SOLELY FOR CAMPAIGN PURPOSES OR IN CONNECTION WITH THE EXECUTION OF THE DUTIES OF PUBLIC OFFICE. IF A CANDIDATE USES CAMPAIGN FUNDS TO PAY EXPENSES ASSOCIATED WITH TRAVEL THAT INVOLVES BOTH PERSONAL ACTIVITIES AND CAMPAIGN ACTIVITIES OR OFFICIAL DUTIES, THE INCREMENTAL EXPENSES THAT RESULT FROM THE PERSONAL ACTIVITIES SHALL BE CONSIDERED FOR PERSONAL USE UNLESS THE PERSON OR PERSONS BENEFITING FROM THE USE REIMBURSE OR REIMBURSES THE CAMPAIGN ACCOUNT WITHIN NINETY DAYS FOR THE FULL AMOUNT OF THE INCREMENTAL EXPENSES; AND

(XII) ANY OTHER EXPENDITURE DESIGNATED BY THE STATE BOARD OF ELECTIONS AS CONSTITUTING PERSONAL USE.

4. NOTHING IN THIS SECTION SHALL PROHIBIT A CANDIDATE FROM PURCHASING EQUIPMENT OR PROPERTY FROM HIS OR HER PERSONAL FUNDS AND LEASING OR RENTING SUCH EQUIPMENT OR PROPERTY TO A COMMITTEE WORKING DIRECTLY OR INDIRECTLY WITH HIM OR HER TO AID OR PARTICIPATE IN HIS OR HER NOMINATION OR ELECTION, INCLUDING AN EXPLORATORY COMMITTEE, PROVIDED THAT THE CANDIDATE AND HIS OR HER CAMPAIGN TREASURER SIGN A WRITTEN LEASE OR RENTAL AGREEMENT. SUCH AGREEMENT SHALL INCLUDE THE LEASE OR RENTAL PRICE, WHICH SHALL NOT EXCEED THE FAIR LEASE OR RENTAL VALUE OF THE EQUIPMENT. THE CANDIDATE SHALL NOT RECEIVE LEASE OR RENTAL PAYMENTS WHICH, IN THE AGGREGATE, EXCEED THE COST OF PURCHASING THE EQUIPMENT OR PROPERTY.

5. NOTHING IN THIS SECTION SHALL PROHIBIT AN ELECTED PUBLIC OFFICEHOLDER FROM USING CAMPAIGN CONTRIBUTIONS TO FACILITATE, SUPPORT, OR OTHERWISE ASSIST IN THE EXECUTION OR PERFORMANCE OF THE DUTIES OF HIS OR HER PUBLIC OFFICE.

6. THE STATE BOARD OF ELECTIONS SHALL ISSUE ADVISORY OPINIONS FROM TIME TO TIME UPON REQUEST TO ADDRESS THE APPLICATION OF THIS SECTION.

S 2. This act shall take effect immediately.