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SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE

FIRST REGULAR SESSION, 1991

— ● —

ENROLLED

Com. Sub. for
HOUSE BILL No. 2509

(By Mr. *Speaker, Mr. Chambers and*)
Delegate Burk

— ● —

Passed *March 9,* 1991

In Effect *90 Days From* Passage

ENROLLED
COMMITTEE SUBSTITUTE
FOR
H. B. 2509

(By MR. SPEAKER, MR. CHAMBERS, AND DELEGATE BURK)

[Passed March 9, 1991; in effect ninety days from passage.]

AN ACT to amend and reenact section five-a, article eight, chapter three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to information required in financial statements prepared in connection with political campaign activities; setting forth specific requirements; providing for the reporting of contributions to membership organizations; and defining certain terms.

Be it enacted by the Legislature of West Virginia:

That section five-a, article eight, chapter three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 8. REGULATION AND CONTROL OF ELECTIONS.

§3-8-5a. Information required in financial statement.

- 1 (a) Each financial statement required by the provi-
- 2 sions of this article shall contain the following
- 3 information:
- 4 (1) The first name, middle initial, if any, and last
- 5 name, residence and mailing address and telephone
- 6 number of each candidate, financial agent, treasurer or
- 7 person, and the full name, address and telephone

8 number of each association, organization or committee
9 filing a financial statement.

10 (2) The balance of cash and any other sum of money
11 on hand at the beginning and the end of the period
12 covered by the financial statement.

13 (3) The first name, middle initial, if any, and the last
14 name in the case of an individual, and the full name of
15 each firm, association or committee, and the amount of
16 such contribution of such individual, firm, association or
17 committee, and, if the aggregate of the sum or sums
18 contributed by any one such individual, firm, association
19 or committee exceeds two hundred fifty dollars there
20 shall also be reported the residence and mailing address
21 and, in the case of an individual, the major business
22 affiliation and occupation. A contribution totaling more
23 than fifty dollars by any one contributor is prohibited
24 unless it is made by money order or by check, and a
25 violation of this provision is subject to section five-d of
26 this article. As used herein, the term "check" shall have
27 the meaning ascribed to that term in section one
28 hundred four, article three, chapter forty-six of this
29 code.

30 (4) The total amount of contributions received during
31 the period covered by the financial statement.

32 (5) The first name, middle initial, if any, and the last
33 name, residence and mailing address of any individual
34 or the full name and mailing address of each firm,
35 association or committee making or cosigning a loan and
36 the amount of any loan received, the date and terms of
37 the loan, including interest and repayment schedule,
38 along with a copy of the loan agreement.

39 (6) The first name, middle initial, if any, and the last
40 name, residence and mailing address of any individual
41 or the full name and mailing address of each firm,
42 association or committee having previously made or
43 cosigned a loan for which payment is made or a balance
44 is outstanding at the end of the period, together with the
45 amount of repayment on the loan made during the
46 period and the balance at the end of the period.

47 (7) The total outstanding balance of all loans at the
48 end of the period.

49 (8) The first name, middle initial, if any, and the last
50 name, residence and mailing address of any individual,
51 or the full name and mailing address of each firm,
52 association or committee to whom each expenditure was
53 made or liability incurred, together with the amount
54 and purpose of each expenditure or liability incurred
55 and the date of each transaction.

56 (9) The total expenditure for the nomination, election
57 or defeat of a candidate or any person or organization
58 advocating or opposing the nomination, election or
59 defeat of any candidate, or the passage or defeat of any
60 issue, thing or item to be voted upon, in whose behalf
61 an expenditure was made or a contribution was given
62 for the primary or other election.

63 (10) The total amount of expenditures made during
64 the period covered by the financial statement.

65 (b) Any unexpended balance at the time of making the
66 financial statements herein provided for shall be
67 properly accounted for in that financial statement and
68 shall appear as a balance in the next following financial
69 statement.

70 (c) Each financial statement required by this section
71 shall contain a separate section setting forth the
72 following information for each fund-raising event held
73 during the period covered by the financial statement:

74 (1) The type of event, date held, and address and
75 name, if any, of the place where the event was held.

76 (2) All of the information required by subdivision (3),
77 subsection (a) of this section.

78 (3) The total of all moneys received at the fund-raising
79 event.

80 (4) The expenditures incident to the fund-raising
81 event.

82 (5) The net receipts of the fund-raising event.

83 (d) When any lump sum payment is made to any

84 advertising agency or other disbursing person who does
85 not file a report of detailed accounts and verified
86 financial statements as required in this section, such
87 lump sum expenditures shall be accounted for in the
88 same manner as provided for herein.

89 (e) Any contribution or expenditure made by or on
90 behalf of a candidate for public office, to any other
91 candidate, or committee for a candidate for any public
92 office in the same election shall be accounted for in
93 accordance with the provisions of this section.

94 (f) No person, firm, association or committee may
95 make any contribution except from their own funds,
96 unless such person, firm, association or committee
97 discloses in writing to the person required to report
98 under this section the first name, middle initial, if any,
99 and the last name in the case of an individual, or the
100 full name in case of a firm, association or committee,
101 residence and mailing address and the major business
102 affiliation and occupation of the person, firm, association
103 or committee which furnished the funds to such
104 contributor. All such disclosures shall be included in the
105 statement required by this section.

106 (g) Any firm, association, committee or fund permit-
107 ted by section eight of this article to be a political
108 committee shall disclose on the financial statement its
109 corporate or other affiliation.

110 (h) No contribution may be made, directly or indi-
111 rectly, in a fictitious name, anonymously or by one
112 person through an agent, relative or other person so as
113 to conceal the identity of the source of the contribution
114 or in any other manner so as to effect concealment of
115 the contributor's identity.

116 (i) No person, firm, association or committee may
117 accept any contribution for the purpose of influencing
118 the nomination, election or defeat of a candidate or for
119 the passage or defeat of any issue or thing to be voted
120 upon unless the identity of the donor and the amount of
121 the contribution is known and reported.

122 (j) When any candidate, organization, committee or

123 person receives any anonymous contribution which
124 cannot be returned because the donor cannot be
125 identified, that contribution shall be donated to the
126 general revenue fund of the state. Any anonymous
127 contribution shall be recorded as such on the candidate's
128 financial statement, but may not be expended for
129 election expenses. At the time of filing, the financial
130 statement shall include a statement of distribution of
131 anonymous contributions, which total amount shall
132 equal the total of all anonymous contributions received
133 during the period.

134 (k) Any membership organization which raises funds
135 for political purposes by payroll deduction assessing
136 them as part of its membership dues or as a separate
137 assessment may report the amount raised as follows:

138 (1) If the portion of dues or assessments designated for
139 political purposes equals twenty-five dollars or less per
140 member over the course of a calendar year, the total
141 amount raised for political purposes through member-
142 ship dues or assessments during the period is reported
143 by showing the amount required to be paid by each
144 member and the number of members.

145 (2) If the total payroll deduction for political purposes
146 of each participating member equals twenty-five dollars
147 or less over the course of a calendar or fiscal year, as
148 specified by the organization, the organization shall
149 report the total amount received for political purposes
150 through such payroll deductions during the reporting
151 period, and to the maximum extent possible, the amount
152 of each yearly payroll deduction contribution level and
153 the number of members contributing at each such
154 specified level. The membership organization shall
155 maintain records of the name and yearly payroll
156 deduction amounts of each participating member.

157 (3) If any member contributes to the membership
158 organization through individual voluntary contributions
159 by means other than payroll deduction, membership
160 dues, or assessments as provided in this subsection, the
161 reporting requirements of subdivision (3), subsection (a)
162 of this section shall apply. Funds raised for political

163 purposes must be segregated from the funds for other
164 purposes and listed in its report.

165 (1) For purposes of this section:

166 (1) "Political purposes" means advocating or opposing
167 the nomination, election or defeat of one or more
168 candidates, supporting the retirement of the debt of a
169 candidate or activities of an established political party
170 or an organization which has declared itself a political
171 party, supporting the administration or activities of a
172 political committee or advocating or opposing the
173 passage of a ballot issue.

174 (2) "Membership organization" means a group that
175 grants bona fide rights and privileges, such as the right
176 to vote, to elect officers or directors, and the ability to
177 hold office, to its members, and which uses a majority
178 of its membership dues for purposes other than political
179 purposes. This term shall not include organizations that
180 grant membership upon receiving a contribution.

181 (3) "Fundraising event" means an event such as a
182 dinner, reception, testimonial, cocktail party, auction or
183 similar affair through which contributions are solicited
184 or received by such means as the purchase of a ticket,
185 payment of an attendance fee or by the purchase of
186 goods or services.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Homer Leck
Chairman Senate Committee

Ernest C. Moore
Chairman House Committee

Originating in the House.

Takes effect from ninety days passage.

Charles E. Jones
Clerk of the Senate

Donald L. Kopp
Clerk of the House of Delegates

Keith Brundette
President of the Senate

Bob C. Carr
Speaker of the House of Delegates

The within *is approved* this the *1st*
day of *April*, 1991.

Gaston Caperton
Governor

PRESENTED TO THE

GOVERNOR

Date 3/20/91

Time 4:55pm