



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

**HB3541**

Introduced 2/22/2021, by Rep. Kelly M. Cassidy

#### 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 in the definitions of "political action committee", "ballot initiative committee", and "independent expenditure committee" an organization organized for tax-exempt status under the Internal Revenue Code. Provides that an organization that qualifies for tax-exempt status under the Internal Revenue Code may, in order to comply with the specific reporting provisions that are required of political committees, establish a separate political committee in which the exclusive function is to receive or make contributions, make expenditures, or any combination thereof, to support or oppose candidates or questions of public policy. Allows the nonprofit organizations to create a separate segregated fund in which contributions shall be deposited or made and from which expenditures shall be disbursed. Provides that if the nonprofit organization chooses the option, the disclosure of any deposits of money into the segregated fund shall report the original sources of the money and not the name of the parent nonprofit organization. Effective immediately.

LRB102 13488 SMS 18835 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  
16 makes expenditures during any 12-month period in an aggregate  
17 amount 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  
20 a political party, a legislative caucus committee, or a  
21 committee formed by a ward or township committeeperson of a  
22 political party. For purposes of this Article, a "legislative  
23 caucus committee" means a committee established for the

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

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

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

26 (f) "Independent expenditure committee" means any trust,

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

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

24 (10 ILCS 5/9-6) (from Ch. 46, par. 9-6)

25 Sec. 9-6. Accounting for contributions.

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

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

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

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

13 To facilitate this option, nonprofit organizations may  
14 create a separate segregated fund in which contributions shall  
15 be deposited or made pursuant to Section 9-1.4 and from which  
16 expenditures shall be disbursed pursuant to Section 9-1.5.

17 If a nonprofit organization chooses this option, the  
18 disclosure of any deposits of money into the segregated fund  
19 shall report the original sources of the money and not the name  
20 of the parent nonprofit organization.

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

22 Section 99. Effective date. This Act takes effect upon  
23 becoming law.