

# **WEST VIRGINIA LEGISLATURE**

## **2021 REGULAR SESSION**

**Introduced**

### **House Bill 2841**

BY DELEGATES THOMPSON, WALKER AND YOUNG

[Introduced March 02, 2021; Referred to the  
Committee on the Judiciary]

1 A BILL to amend and reenact §3-8-5 and §3-8-5f of the Code of West Virginia, 1931, as amended,  
 2 all relating to the regulation and transparency of campaign finance contributions;  
 3 establishing a \$3,000 limit on loans a candidate may make to his or her campaign;  
 4 requiring candidates publicly declare donor lists; requiring lawmakers make donor lists  
 5 publicly available on their legislative websites; requiring candidates to make public their  
 6 income tax filings.

*Be it enacted by the Legislature of West Virginia:*

## **ARTICLE 8. REGULATION AND CONTROL OF ELECTIONS.**

### **§3-8-5. Detailed accounts and verified financial statements required.**

1 (a) Record-keeping requirements. —

2 (1) Except for candidates for party committeeman and committeewoman, all candidates  
 3 for nomination or election to state or local offices and all persons supporting, aiding, or opposing  
 4 the nomination, election, or defeat of any such candidate shall keep, for a period of two years,  
 5 records of receipts and expenditures which are made for political purposes.

6 (2) Every candidate or treasurer of every political committee shall keep detailed accounts  
 7 of every sum of money or other thing of value received by him or her, including all loans of money  
 8 or things of value and of all expenditures and disbursements made, or liabilities incurred, by the  
 9 candidate or political committee. These accounts shall include the name of any donor, which will  
 10 be made public through the reporting requirements in subsection (b)(1) of this section.

11 (3) A person that is not a political committee and makes independent expenditures or  
 12 electioneering communications must keep detailed accounts of every sum of money or other thing  
 13 of value received by him or her for the purpose of furthering any independent expenditure or  
 14 electioneering communication and of all disbursements made for independent expenditures or  
 15 electioneering communications.

16 (b) Financial reporting requirements. —

17 (1) Every person required to keep detailed accounts under subsection (a) of this section

18 shall file a detailed, itemized sworn statement, as prescribed in §3-8-5a and §3-8-5b of this code,  
19 according to the following schedule:

20 (A) On April 1 of each year, the person shall file a statement of all financial transactions  
21 dating from January 1 to March 31 of the same year, to be filed within six days thereafter;

22 (B) On July 1 of each year, the person shall file a statement of all financial transactions  
23 dating from April 1 to June 30 of the same year, to be filed within six days thereafter;

24 (C) On October 1 of each year, the person shall file a statement of all financial transactions  
25 dating from July 1 to September 30 of the same year, to be filed within six days thereafter; and

26 (D) On January 1 of each year, the person shall file a statement of all financial transactions  
27 dating from October 1 to December 31 of the previous year, to be filed within six days thereafter.

28 (2) In addition to the statements required in subdivision (1) of this subsection, a candidate  
29 or candidate's committee shall file detailed itemized sworn statements, as prescribed in §3-8-5a  
30 and §3-8-5b of this code, according to the following schedule:

31 (A) On the 15th day preceding the primary election in which a candidate is on the ballot,  
32 the candidate or committee shall file a statement of all financial transactions subsequent to the  
33 previous statement, if any, to be filed within four business days after the 15th day; and

34 (B) On the 15th day preceding the general election in which a candidate, including an  
35 official write-in candidate, is on the ballot, the candidate or committee shall file a statement of all  
36 financial transactions subsequent to the previous statement, if any, to be filed within four business  
37 days after the 15th day.

38 (3) In addition to the statements required in subdivisions (1) and (2) of this subsection, a  
39 candidate or candidate's committee shall file copies of the candidate's personal income tax  
40 returns for the three years prior to the primary or general election for the office he or she seeks  
41 election.

42 (4) Once a candidate is elected and begins serving his or term in the West Virginia  
43 Legislature, he or she shall file an accurate and complete list of his or her donors to the clerk of

44 either the Senate or House of Delegates. The member's donor list shall be included on the West  
45 Virginia Legislature's website to allow access by members of the public.

46 (c) A person required to file reports pursuant to 52 U.S.C. §30104 is exempt from the  
47 requirements of subsection (b) of this section but is not exempt from the state-level electioneering  
48 communication reports requirements in §3-8-2b of this code or the independent expenditure  
49 reporting requirements in §3-8-2 of this code.

50 (d) Every person who is qualified as an official write-in candidate for any elective office  
51 shall individually, or by candidate committee, comply with all of the applicable requirements of  
52 this section.

53 (e) Candidates for the office of conservation district supervisor elected pursuant to the  
54 provisions of §19-21A-1 *et seq.* of this code are required to file only the report required by  
55 paragraph (A), subdivision (2), subsection (b) of this section immediately prior to the applicable  
56 general election that is held concurrently with the state's primary election.

**§3-8-5f. Loans to candidates, organizations or persons for election purposes.**

1 (a) No candidate, financial agent, person or association of persons or organization  
2 advocating or opposing the nomination or election of any candidate or the passage or defeat of  
3 any issue or item to be voted upon may receive any money or any other thing of value as a loan  
4 toward election expenses except from the candidate, his or her spouse or a lending institution. All  
5 loans shall be evidenced by a written agreement executed by the lender, whether the candidate,  
6 his or her spouse, or the lending institution. Such agreement shall state the date and amount of  
7 the loan, the terms, including interest and repayment schedule, and a description of the collateral,  
8 if any, and the full names and addresses of all parties to the agreement. A copy of the agreement  
9 shall be filed with the financial statement next required after the loan is executed.

10 (b) A candidate, or his or her spouse, or a lending institution may lend no more than \$3,000  
11 to the candidate per race.

12 (c) Loans may only be made in the regular course of business by a lending institution

13 which is a state bank, a federally chartered depository institution (including a national bank) or a  
14 depository institution whose deposits are insured by the Federal Deposit Insurance Corporation  
15 or the National Credit Union Administration. Such loans shall be subject to the following  
16 requirements:

17 (1) Endorsements or guarantees of such loans may be made by the candidate or his or  
18 her spouse;

19 (2) Endorsements or guarantees of such loans by parties other than the candidate or his  
20 or her spouse may be made only to the extent of the contribution limits established in this article;  
21 and

22 (3) No other form of security shall be furnished in connection with such loans by any party  
23 other than the candidate or his or her spouse.

24 (c) The provisions of this section shall not be construed to prohibit a candidate or his or  
25 her spouse from lending money to the candidate or to the candidate's political committee:  
26 *Provided*, That the spouse of a candidate may not borrow money from a third party other than a  
27 lending institution authorized to make loans under this section for the purposes of lending money  
28 to the candidate or the candidate's political committee.

NOTE: The purpose of this bill is to establish a \$3,000 limit on loans a candidate may make to his or her campaign; require candidates publicly declare donor lists; require lawmakers make donor lists publicly available on their legislative websites; require candidates to make public their income tax filings.

Strike-throughs indicate language that would be stricken from a heading or the present law, and underscoring indicates new language that would be added.